

# A better stronger business

Annual Report and Accounts 2025

## Contents

Our purpose is to make a material difference to the lives of our colleagues, customers and communities.

We achieve our purpose through delivering essential construction materials while living our values:

- keeping it simple;
- striving to improve;
- making it happen; and
- showing we care.

The strategic report has been approved by the Board of Directors and signed on its behalf by:

**Rob Wood**

Chief Executive Officer  
11 March 2026

### STRATEGIC REPORT

|                                                          |     |
|----------------------------------------------------------|-----|
| Better, stronger business                                | »01 |
| Breedon at a glance                                      | »10 |
| Chair's statement                                        | »12 |
| Market review                                            | »16 |
| Business model                                           | »22 |
| Chief Executive Officer's review and outlook             | »28 |
| – Breedon 3.0                                            | »31 |
| – Operating reviews                                      | »36 |
| Key performance indicators                               | »42 |
| Chief Financial Officer's review                         | »44 |
| Managing our risks and opportunities                     | »49 |
| – Principal risks                                        | »51 |
| Viability Statement                                      | »60 |
| Sustainability                                           | »62 |
| – Planet                                                 | »68 |
| – People                                                 | »76 |
| – Places                                                 | »81 |
| – Principles                                             | »84 |
| Sustainability Appendix                                  | »87 |
| – SECR                                                   | »87 |
| – TCFD                                                   | »88 |
| – Non-financial and Sustainability Information Statement | »96 |
| Section 172(1) Statement                                 | »97 |

### GOVERNANCE REPORT

|                                          |      |
|------------------------------------------|------|
| Corporate governance at a glance         | »103 |
| Board of Directors                       | »104 |
| Corporate governance statement           | »106 |
| Board in action                          | »107 |
| Culture and colleague engagement         | »109 |
| Engaging with shareholders               | »111 |
| Audit & Risk Committee report            | »114 |
| Nomination Committee report              | »121 |
| Sustainability Committee report          | »124 |
| Compliance statement against the Code    | »126 |
| Directors' Remuneration report           | »132 |
| – Annual statement                       | »132 |
| – Remuneration at a glance               | »136 |
| – Directors' Remuneration Policy         | »137 |
| – Annual report on remuneration          | »141 |
| Directors' report                        | »149 |
| Statement of directors' responsibilities | »152 |

### CONSOLIDATED FINANCIAL STATEMENTS

|                                                |      |
|------------------------------------------------|------|
| Independent Auditor's report                   | »154 |
| Consolidated income statement                  | »164 |
| Consolidated statement of comprehensive income | »165 |
| Consolidated statement of financial position   | »166 |
| Consolidated statement of changes in equity    | »167 |
| Consolidated statement of cash flows           | »168 |
| Notes to the consolidated statements           | »169 |

### COMPANY FINANCIAL STATEMENTS

|                                           |      |
|-------------------------------------------|------|
| Company statement of financial position   | »202 |
| Company statement of changes in equity    | »203 |
| Notes to the Company financial statements | »204 |
| Reporting segment changes                 | »208 |
| Subsidiaries                              | »209 |

### ADDITIONAL INFORMATION

|                                  |      |
|----------------------------------|------|
| Shareholder information          | »212 |
| Glossary                         | »215 |
| Advisers and Company Information | »216 |

## Better, stronger business

Breedon is a **leading vertically-integrated international construction materials** group in Great Britain, Ireland and the United States.

We supply the construction industry with the **essential materials** needed to build the places where we live and work, play and in-between.

We produce **value-added** construction materials, pulling through our aggregates and cement to be used downstream in the production of ready-mixed concrete and asphalt, and the provision of surfacing solutions.

Our evolved strategy is committed to **Expand** and **Improve** the business, prioritising profitable growth.

Our model and strategy have served us well, building platforms in three geographies, delivering 18% compound revenue growth over the last 15 years as we continue to build a **better, stronger Breedon**.

Robust revenue

**£1.7bn**

Revenue

Growing earnings

**£279m**

Underlying EBITDA

Resilient statutory performance

**£134.8m**

Statutory Group profit from operations

Reflecting M&A-related costs

**24.2p**

Statutory Basic earnings per share

Better, stronger business

# 15 years of profitable growth

## 31 acquisitions over 15 years

Breedon

Six bolt-on transactions

Hope

Lagan

Cemex UK assets

BMC

Twelve bolt-on transactions

Lionmark

2011<sup>1</sup> 2012<sup>2</sup> 2013<sup>1</sup> 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

£169m



Revenue CAGR<sup>2</sup> 18%

£1,714m

£17m



Underlying EBITDA<sup>3</sup> CAGR<sup>2</sup> 22%

£279m

10%



Underlying EBITDA margin expansion 630bps

16.3%

Covenant Leverage<sup>1</sup> times



<sup>1</sup> Covenant Leverage has been calculated on a consistent basis for all periods, following the principles set out in the Group's current debt facility agreements.

<sup>2</sup> CAGR: Compound annual growth rate since Breedon's first full year of trading.

<sup>3</sup> Underlying EBITDA refers to earnings before interest, tax, depreciation and amortisation.

**Better, stronger business**

# Backed by 1.5 billion tonnes of mineral

## Reserves and resources

We are stewards of 1.5 billion tonnes of high-quality mineral reserves and resources which provide a long-term store of incumbent value.



Better, stronger business

# Vertically integrated

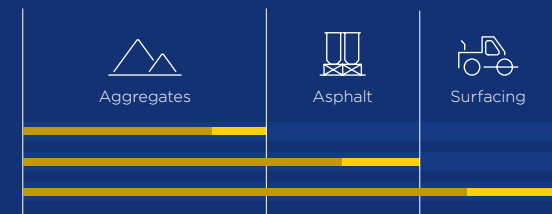
Our vertically-integrated business model enables the efficient extraction, processing and distribution of value-added materials.

## Vertically-integrated, asset-backed business model



## Aggregates-led routes to market; pulling through mineral<sup>1</sup>

■ Revenue ■ Profit



Vertical-integration pulls through high-margin materials from our valuable mineral asset base, maximising routes to market and enhancing returns.

Provides security of supply and enhanced service, strengthening customer relationships.

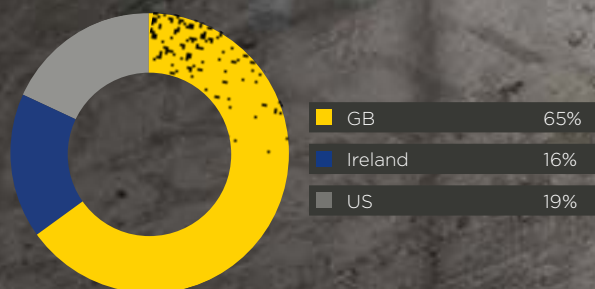
<sup>1</sup> Mineral pull through proportions are for illustrative purposes only.

Better, stronger business

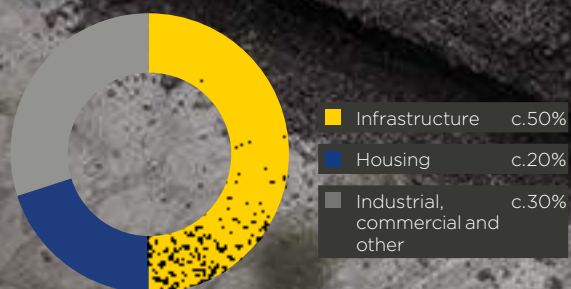
# Diversified

Our end-markets are diversified by sector and geography, reducing reliance on any single customer, product or region.

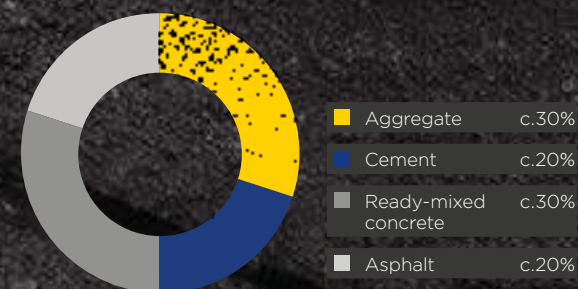
Revenue<sup>1</sup> by division



Revenue<sup>1</sup> by customer



Revenue<sup>1</sup> by product<sup>2</sup>



1 Revenue is pro forma, derived from the reported revenue for 2025 restated to include the impact of the four transactions that took place during the year.

2 Product data excludes surfacing, building products and other.

Better, stronger business

# Serving growing end-markets

We serve end-markets with attractive long-term growth profiles, driven by growing populations and urbanisation, infrastructure investment and housing demand.

## Significant housing shortage

UK more than  
**1.5m**  
at least 10 years

Ireland more than  
**0.3m**  
at least 8 years

US more than  
**4.0m**  
at least 7 years

## Committed government investment

UK Infrastructure  
Strategy

**£725bn**

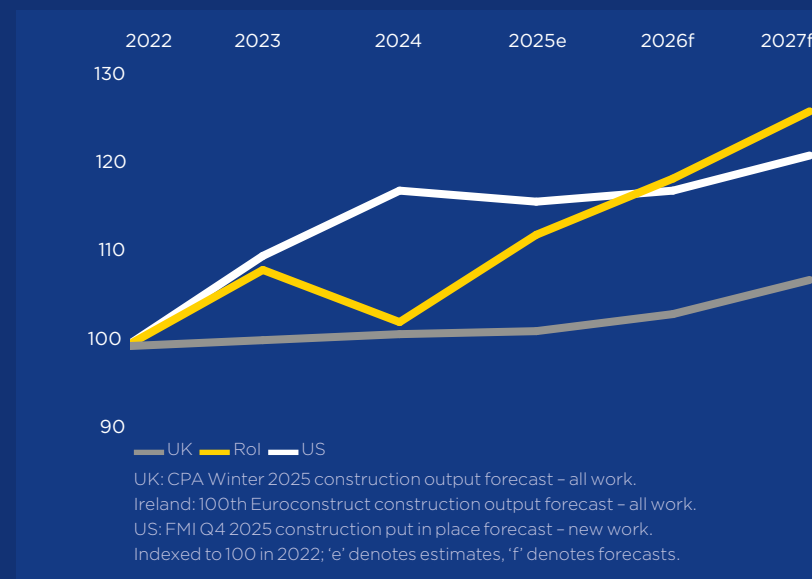
Ireland National  
Development Plan

**€275bn**

US Infrastructure  
Investment and Jobs Act

**\$1.2tn**

## Construction output forecast to grow



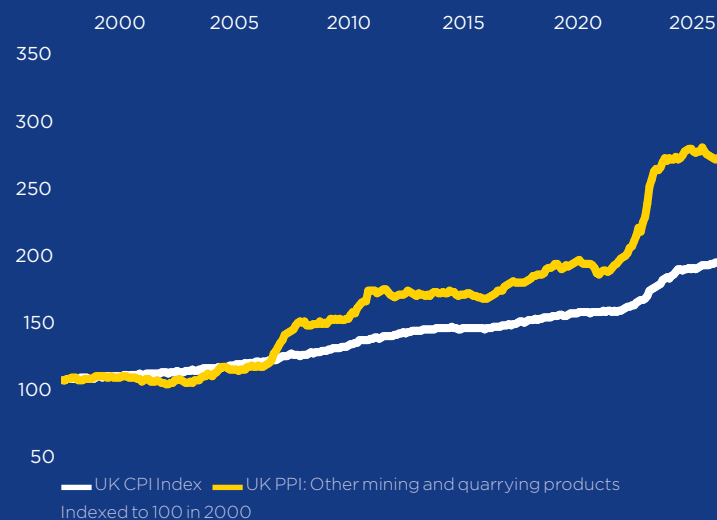
Note: Years of housing shortage derived from housing shortfall in the context of the current pace of housing completions.

**Better, stronger business**

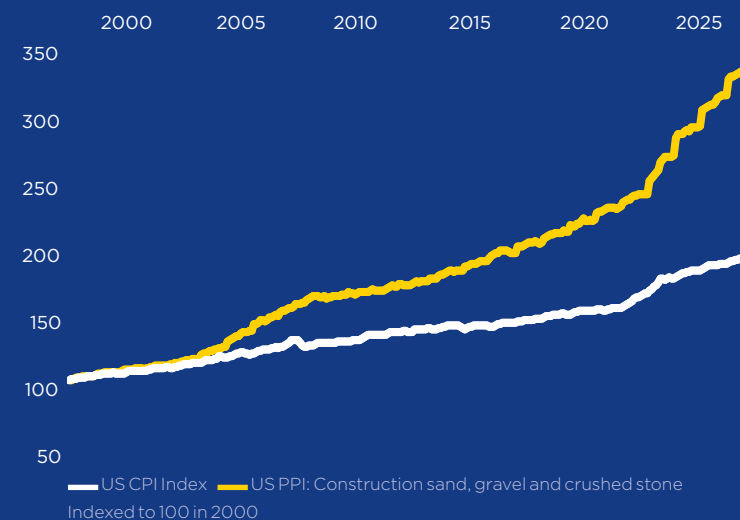
# Long-term pricing outpaces inflation over time

Our materials are fundamental to construction activity and infrastructure development, resulting in a resilient pricing environment.

## UK aggregates price outpaces inflation



## US aggregates price outpaces inflation



Better, stronger business

# A culture of self-help and excellence

Operational and commercial excellence programmes delivered by our first-class team drive efficiency savings and productivity enhancements alongside reductions in energy intensity, emissions and waste.

Better, stronger business

# Disciplined capital allocation

Strong and predictable cash generation enables multiple routes to growth, supports through-cycle investment and underpins our progressive dividend policy, while ensuring a resilient and flexible balance sheet.

## Maximise value through capital deployment

- The optimal capital deployment
- Proactive strategic flexibility
- Create sustainable shareholder returns



## Through-cycle proactive Investment

- Resilient and flexible investment
- Proactive investment
- High capital productivity
- Reduced capital expenditure
- International benchmarking
- Well regulated M&A pipeline



## Meeting strategic objectives

- Third platform established
- Proactive growth delivered
- Strong balance sheet maintained

## Excess capital in 2025

### Dividends

**47%**  
payout ratio

**3%**  
increase YoY

### Debt reduced since half year

**0.4x**  
reduction in Covenant Leverage

Breedon at a glance

A balanced portfolio of high-quality assets operated by our first-class team

Asset-backed and vertically-integrated

|                                                       |                                                                                     |                                                                                                                                                                 |
|-------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Aggregates</b><br><b>&gt;100</b><br>quarries       |    | Our quarries supply aggregates to our external customers and our own ready-mixed concrete and asphalt plants, pulling materials through the business model.     |
| <b>Cement</b><br><b>2</b><br>plants                   |    | Our well-invested cement plants are capable of producing more than two million tonnes of cement annually.                                                       |
| <b>Ready-mixed concrete</b><br><b>c.200</b><br>plants |  | Our ready-mixed concrete plants supply quality-assured concrete, screed and mortar to a broad scope of projects, distributed through our fleet of mixer trucks. |
| <b>Asphalt</b><br><b>&gt;50</b><br>plants             |  | Our asphalt plants supply quality-assured materials to a wide range of projects from car parks to major trunk roads.                                            |
| <b>Surfacing</b>                                      |  | Our surfacing operations benefit from multi-year frameworks serving our local and national customers efficiently and sustainably.                               |

Our strategy

People  
Sustainability  
Finance

EXPAND



IMPROVE

Our culture

Our purpose

To make a material difference to the lives of our colleagues, customers and communities.

Our values

We are committed to upholding clear, authentic behaviours that drive long-term success. By staying true to our principles, we create a foundation of trust, integrity and accountability that supports sustainable growth.



KEEP IT  
SIMPLE



STRIVE TO  
IMPROVE



MAKE IT  
HAPPEN



SHOW  
WE CARE

Our people

The safety and wellbeing of our colleagues is our highest priority and the objective of our Home Safe and Well campaign.

**4,800**  
people

**56**  
new apprentices

**77%**  
colleague engagement score

Breedon at a glance

An extensive footprint of valuable assets with leading market shares

United States

Headquartered in St Louis, Missouri, our US business is positioned for expansion across the Midwest, operating a network of quarries, asphalt and ready-mixed concrete plants and delivering surfacing solutions in four states.

More detail

»40

Ireland

A network of quarries and asphalt plants supporting a highly regarded surfacing business across the Island of Ireland, and a modern cement plant near Dublin.

More detail

»38

Great Britain

An extensive footprint of assets including quarries, cement, asphalt, ready-mixed concrete and block plants, extending from Somerset to the Hebrides.

More detail

»36

## Chair's statement



//  
**There is something remarkable about a business that grows stronger in adversity.**

**Amit Bhatia**  
 Chair

That is the story of Breedon in 2025. In a testing year, Breedon proved once again that the strength of our model and the quality of our people are the most durable competitive advantages we possess.

Across all three of our geographies, in markets that gave us very little by way of tailwind, our team delivered revenue of £1,714m, Underlying EBITDA of £279m, and generated the cash flow to reduce our Covenant Leverage from 2.2x at the half year to 1.8x by December. We once again increased our dividend.

These are not the hallmarks of a business merely weathering a storm, they demonstrate a business that has learned how to advance, whatever the circumstances.

### A decade of building a platform for the future

I joined the Breedon Board in 2016 when our revenue was a fraction of what it is today, and our ambitions, while considerable, were confined to a single geography.

In the decade since, we have built something genuinely distinctive in the construction materials sector: a vertically-integrated platform spanning Great Britain, Ireland and the United States, underpinned by 1.5 billion tonnes of mineral reserves and a team of 4,800 people whose engagement, expertise and determination are the true engine of our performance.

The numbers bear this out. Since 2011, revenue has compounded at 18% annually and Underlying EBITDA at 22%. We have completed more than 30 acquisitions, navigated a global pandemic, transitioned from AIM to the Main Market of the London Stock Exchange, and established a meaningful presence in Ireland and the United States.

Through it all we have maintained the entrepreneurial culture and disciplined financial framework that I have always prioritised and taken great pride in.

## Chair's statement

### 2025 in context

Let me be direct about the environment we operated in. In GB, ready-mixed concrete volumes fell to levels not seen since 1963. In Ireland, two major infrastructure projects were deferred, disrupting our anticipated workflow. In the US, extreme weather in the first half upended normal seasonal patterns. None of this was within our control.

What was within our control was our response. Our teams delivered over £20m of self-help savings through procurement improvements, operational efficiencies and disciplined cost management.

We simplified our management structure to a country-based model, enabling faster decision-making and closer customer relationships. And we continued to invest through the cycle – in our quarries, in our plants, in our people – because that is what builds enduring competitive advantage.

The acquisition and integration of Lionmark was the standout strategic achievement of the year. By bringing asphalt and surfacing capability to our US aggregates platform, we have created a balanced, vertically-integrated business in the US Midwest that now generates 19% of Group revenue.

The integration is substantially complete, and the opportunities for bolt-on growth and further vertical integration are compelling. When the Board approved our entry into the US market, we envisaged a multi-year build. We are running ahead of that vision.

### What makes Breedon different

I am often asked what sets Breedon apart. The answer, I believe, lies in the combination of three qualities that are difficult to replicate.

#### The first is our asset base

Mineral reserves are scarce, finite and irreplaceable. Our 1.5 billion tonnes of permitted reserves, spread across hundreds of locations in three geographies, represent decades of production capacity in consolidating markets. As the investment case section of this report illustrates, this resource base is a long-term store of incumbent value that grows more precious with each passing year.

#### The second is our model

Vertical integration – from quarry face to finished road surface – is not merely a description of our operations. It is the mechanism by which we pull through high-margin products from our resource base, deepen customer relationships and create meaningful operating leverage. When markets recover, this model delivers disproportionate returns.

#### The third, and most important, is our people

A colleague engagement score of 77%, 56 new apprentices, an upgraded occupational health platform, the establishment of the Breedon Women's Network – these are not corporate adornments. They are investments in the human capital that transforms rock into roads, concrete into communities, and strategy into results.



**These are not corporate adornments. They are investments in the human capital that transforms rock into roads, concrete into communities, and strategy into results.**

## Chair's statement

### Capital allocation and shareholder returns

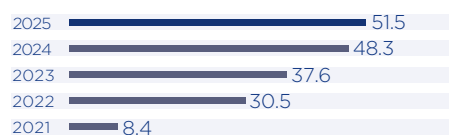
The Board takes capital allocation seriously. In a year when we absorbed a significant acquisition, we simultaneously reduced leverage, increased our dividend by 3% and continued to invest organically ahead of depreciation.

That balance – growth and discipline, ambition and prudence – is not accidental. It is the product of a financial framework that has served shareholders well over 15 years and will continue to do so.

We are conscious the share price has not yet reflected the progress we have made. The analyst consensus implies material upside from current share price levels, and we believe the fundamental quality of our business, the strength of our balance sheet and the breadth of our growth pipeline support that view.

#### Total cash dividends paid

£m



As Covenant Leverage reduces towards the lower end of our target range, and organic capital investment and dividend payment objectives are satisfied, the Board will give further consideration to all routes for returning surplus capital to shareholders, including the repurchase of shares. We understand the importance of this question to our investor base and it remains a live and active discussion at Board level.

### Looking ahead

Construction market conditions in the UK remain subdued, though there are early signs of stabilisation. The Republic of Ireland's structural growth story – driven by demographics, housing demand and EU-supported infrastructure investment – remains firmly intact. In the US, federal and state infrastructure programmes provide multi-year visibility for our Midwest platform.

Across all three geographies, we see sustained and increasing levels of enquiry, particularly in infrastructure, where investment in transport, energy and water is well-funded and accelerating. When these enquiries convert to orders, Breedon is primed and ready.

Our strategy is clear: expand through disciplined, value-accretive M&A; improve through operational and commercial excellence; and invest in the sustainability of our business for the long term. We have an active pipeline of acquisition opportunities in each region and the financial capacity and operational expertise to execute them.

### Board and governance

Succession planning is key to ensuring Breedon continues to deliver its growth strategy, and this year we have taken further steps to ensure the Board sustains the skills and experience required to support our executive team. In 2025, the Board approved the reappointment of Clive Watson in his roles as Chair of the Audit & Risk Committee and Senior Independent Director (SID) for a third three-year term, subject to annual re-election by shareholders. Following consultations with shareholders, I was also reappointed as Chair, again subject to annual shareholder approval.

Our succession planning for the year ahead is focused on ensuring we maintain the right balance of non-executive director skills on the Board, while being mindful of term limits, and continuing to evolve succession plans for the executive directors and members of the Group's Executive Committee. A business of Breedon's ambition requires governance that is both rigorous and forward-looking, and we are committed to ensuring the Board evolves in step with the business.

## Chair's statement

### In closing

I want to end where I began – with our people. The 4,800 men and women of Breedon are the reason this business outperforms its markets, integrates acquisitions ahead of schedule and enters each new year stronger than the last. On behalf of the Board, I thank them wholeheartedly for their commitment, their ingenuity and their unwavering determination.

Breedon is a better, stronger business today than at any point in its history. The foundations are deep, the platform is broad and the opportunities ahead of us are significant. I am extremely proud of the business we have built, and everything we have achieved during that time, and I look forward to chairing the Board through the next phase of our growth. I have never been more confident in our future.

**Amit Bhatia**

Chair

11 March 2026

## Board site visit to Belfast

Board site visit to our Belfast tile plant and bitumen terminal



## Market review

# Supplying structurally-attractive end-markets with essential building materials, products and services

## Growth drivers

### Driving economic growth

The construction industry plays a fundamental role in everyday life and construction activity is widely recognised to be a significant contributor to economic prosperity, creating, maintaining and improving the built environment.

Construction activity has far-reaching economic benefits, driving employment and output and underpinning growth. In the UK and US every pound or dollar spent on construction generates roughly three times that in economic value to the wider economy, contributing between 4% and 7% of GDP while employing between 5% and 6% of the workforce.

The population in our core markets is growing and urbanising. The UK population is forecast to grow 7% in the decade to 2032, while in RoI, the population is set to increase by roughly one million between 2022 and 2040.

Although the US population is growing at a slower pace, Missouri is benefitting from steady population migration. With household formation outpacing population growth in our geographies, the pressure on infrastructure, residential and non-residential spaces is likely to persist.

(Source: Office for National Statistics, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis)

### Essential industry

Mineral products are a key component of the construction supply chain. Concrete is the most abundant man-made material on the planet, pulling through aggregates and cement into the final product. The 4.5 million miles of road network across our geographies require maintenance, pulling through high-value aggregates in the production of asphalt.

The aggregates market in GB is relatively consolidated; with the top five aggregates producers together having c.70% market share, with around 300 companies accounting for the remainder.

The aggregates market in Ireland is highly consolidated; the three leading providers account for c.70% of the market.

The US aggregates market is highly fragmented; c.40% of the market is supplied by the top ten providers, with over 5,000 companies delivering 60%.

Planning consent for new quarries is rarely granted, underpinning the incumbent value of asset ownership. The need for long-term strategic planning to secure extensions to the existing estate, alongside efficient mineral production, are core to maintaining a strong market position.

(Source: MPA, BDS Market Intelligence, Moelis, management estimates)

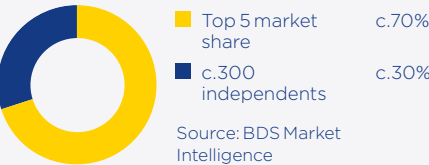
Market review

Markets

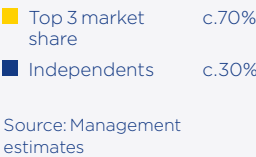
End-markets

The construction end-markets we serve support economic prosperity and productivity. However, population growth and long periods of underinvestment have combined to produce structural deficits, underpinning the long-term growth potential of each end-market.

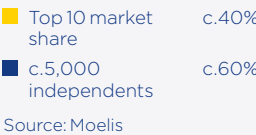
GB Relatively consolidated



Ireland Highly consolidated



US Highly fragmented



Infrastructure

Infrastructure is typically funded by public or regulated organisations with fixed long-term budgets. Governments in our three geographies recognise that infrastructure is underinvested and consequently there are large investment programmes in place.

In its 2025 review, the UK Treasury committed to invest at least £725bn over the decade to 2035 in economic and social infrastructure. Central to this strategy is the reform of the UK planning system with the Planning and Infrastructure Act becoming law in 2025.

To tackle the estimated infrastructure maintenance backlog of £49bn and invest in clean energy, transport and water infrastructure, funding has been granted, or approved by regulatory bodies:

- The Accelerated Strategic Transmission Investment framework has been designed to fast-track the transmission and distribution of up to 50GW of offshore wind by 2030.



- Significant commitments have been made to invest in carbon capture and storage with £9.4bn designated for two clusters.
- In the latest five-year water investment cycle, Ofwat approved a 71% increase to £104bn for the total budget while investment in infrastructure and upgrades quadrupled to £44bn.
- New modular nuclear generation was identified as a strategic priority to meet the UK's carbon reduction objectives, committing support to the development of Sizewell C which will deliver up to 3.2GW.
- Road Investment Strategy 3 will take effect in 2026 with a draft commitment to maintain spending of £25bn over the coming five years and a renewed focus on repair and maintenance.

Market review

Markets

In 2025 the Government of Ireland relaunched the National Development Plan (NDP), which outlined over €275bn of public capital investment by 2035, a 67% increase on the previous NDP.

To enable the construction of 300,000 new homes by 2030 and boost international competitiveness, the plan recognises the need to upgrade and expand the underlying water, energy and transport infrastructure, allocating €102bn for capital investment in the first five years, a 30% increase over the prior plan.

Funding is supported by ongoing budget surpluses which have proved to be resilient against the backdrop of rising international tariffs. In addition, following the 2024 European Court of Justice ruling, ordering Apple to pay €13bn in unpaid R&D taxes, the Minister for Finance confirmed the windfall would be targeted towards public infrastructure investment over the coming decade.

In the US, the Infrastructure Investment and Jobs Act (IIJA) is a US\$1.2tn five-year federal programme enacted in 2021. The IIJA more than doubled funding for transportation to US\$660bn, of which US\$313bn is targeted at roads and bridges, a 33% increase.

In October 2026, the Surface Transportation Reauthorisation bill will succeed the IIJA. However, while c.70% of IIJA funding has been committed, only c.40% has been spent so this programme will continue to support infrastructure construction.

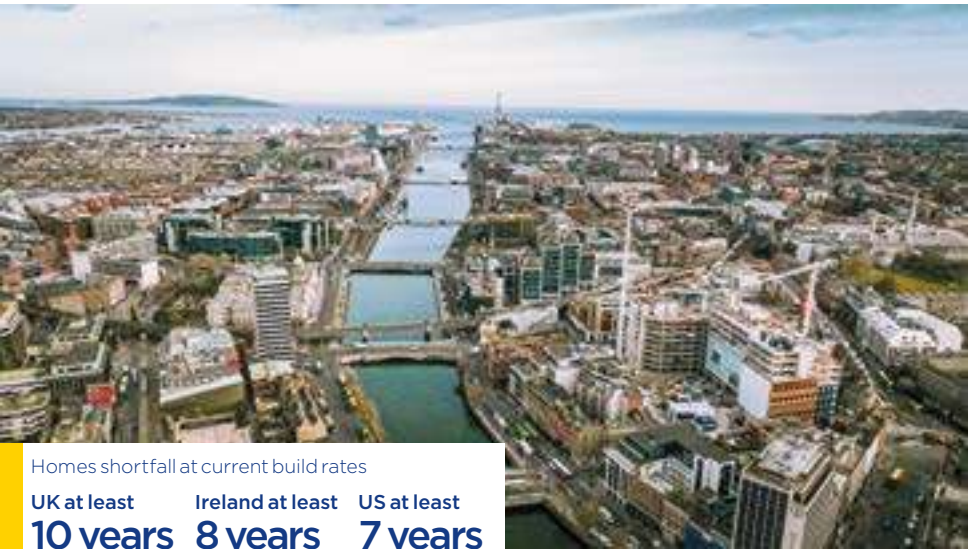
Transport infrastructure in Missouri is further supported by the Missouri Department of Transport fuel tax. In recent years the five-year Statewide Transportation Improvement Programme has increased to US\$13bn.

(Source: Gov.uk, Gov.ie, Euroconstruct, FMI, U.S. Department of Transport, Missouri Department of Transport)

Housebuilding

There is a fundamental shortage of housing in the geographies we serve, with an estimated deficit of at least 1.5 million homes in the UK, 0.3 million in Ireland and 4.0 million in the US due to housing completions falling short of household formation over recent decades. At the current build rate, that equates to backlogs of at least ten, eight and seven years respectively.

While interest rates and affordability are key determinants for housing demand, there is wide recognition that supply-side policies have introduced cost and friction to the pace of housebuilding. Although planning reforms are passing into law in the UK and Ireland, and there are early signs of progress, the full benefits are expected to take time to materialise and delays in securing planning permission remain the leading obstacle to housing delivery in the UK.



Market review

Markets

Burdensome regulation, site viability and uptake of affordable homes by social landlords and registered providers are also cited as significant headwinds to the pace of housing construction in the UK. To alleviate some of these pressures, in 2025 the UK government committed to invest £39bn into social housing to accelerate its strategy to build 1.5 million homes during this parliament.

In Ireland, the NDP recognised the need to build more housing as one of its highest priorities, allocating €36bn to enable the construction of 0.3 million additional homes by 2030. In 2025, 36,300 homes were completed, an increase of 20% compared to 2024. While this is the highest level of homebuilding since the index began in 2011, it remains below the Government's target to build at least 50,000 homes annually.

Housebuilding in the US has primarily been impacted by affordability and the 'lock-in' effect with housing starts falling to the lowest level since the pandemic. The prevalence of low-rate, fixed-term mortgages over long periods of time has significantly reduced household mobility.

However, as interest rates have reduced affordability has improved, with the National Association of Realtors' affordability index showing that in January 2026, housing is the most affordable it has been since March 2022.

(Source: Gov.uk, Gov.ie, McKinsey, U.S. Census Bureau, Realtor.com, UK Home Building Federation, National Association of Realtors)

Commercial, Industrial and other

The commercial sector remains under pressure in all three regions. Comparatively high financing and build costs, coupled with poor economic visibility and considerable political and regulatory uncertainty have led to weak business confidence and repeated delays in project commencement.

While working practices increasingly mandate a return to office working, this is insufficient to offset the existing high levels of office vacancy rates in all regions. However, data centres remain a key driver of commercial activity with power supply and grid connection the primary constraint to project commencement.

Activity in the industrial sector has been sustained by pockets of activity. Factory projects related to defence, renewable energy and gigafactories continue to generate growth in this space.

These sectors remain vulnerable to tariff related cost pressures and unpredictable policy shifts. In Ireland concerns regarding the pace of foreign direct investment abated during the year while in the US and UK the cost implications contributed to project delays.

(Source: CPA, Euroconstruct, FMI)

Construction Output

UK £bn



Ireland €bn



US US\$bn



Market review

Markets

Volumes

Mineral product volumes in 2025 reflect the impact of modest economic growth, offset by rising construction material costs and the effect of poor weather conditions.

Volumes in GB marked the fourth consecutive year of contraction in 2025 reflecting the combined impact of high financing and build costs, coupled with limited economic visibility and sustained political and regulatory uncertainty.

The most significant quarterly decline was experienced in the second quarter where the effect of higher employment taxes and labour costs combined with ‘Liberation Day’ tariff announcements to undermine commitment to construction projects.

Aggregates and asphalt volumes were broadly stable in 2025, while ready-mixed concrete declined to levels last seen in 1963, less than half the peak volumes delivered in 2007.

In the US, aggregates volumes were impacted by adverse weather patterns during 2025. During an intemperate first half, aggregate volumes fell 4%.

Crushed stone, sand and gravel recovered in the second half as conditions stabilised with volumes concluding 2025 flat year-on-year.

Asphalt volumes were underpinned by IIJA spending while ready-mixed concrete was impacted by the slowdown in housing starts.

153m

tonnes GB primary aggregates

(2)%

GB aggregates volume 2025

2,150m

tonnes US primary aggregates

Flat

US aggregates volume 2025

GB Aggregates

million tonnes



GB Asphalt

million tonnes



GB Ready-mixed concrete

million m³



US Aggregates

million tonnes



US Asphalt

million tonnes



US Ready-mixed concrete

million m³



Market review

Outlook

The need to invest in the built environment as a route to support living standards and promote economic growth is widely accepted across each of our geographies.

United Kingdom

Although the geopolitical landscape remains unpredictable, interest rates are falling, improving the affordability of housing and the viability of construction projects. There are spending programmes in place in each of our geographies, and there is the potential for regulatory and planning reforms to accelerate construction activity.

In the UK, the CPA recognises the backdrop has improved incrementally and there are potential pockets of growth, particularly energy generation and water infrastructure. Consequently, they forecast construction output will grow 1.7% in 2026, improving to 3.3% in 2027 as planning reform and infrastructure projects build momentum.

CPA forecast

|        |        |
|--------|--------|
| 2026   | 2027   |
| 1.7% ↑ | 3.3% ↑ |

Ireland

In Ireland, where the economic backdrop is relatively robust, subdued construction activity has been linked to the consistent under-delivery of much needed critical infrastructure, particularly power and water.

The Irish government has taken steps to progress legislative reform, simplify regulation and reduce the administrative burden associated with construction activity. Therefore, with the NDP and associated action plans now in place, Euroconstruct forecasts construction output growth of 5.0% in 2026, increasing to 5.7% in 2027.

Euroconstruct forecast

|        |        |
|--------|--------|
| 2026   | 2027   |
| 5.0% ↑ | 5.7% ↑ |

United States

In the US, FMI forecasts that construction activity is likely to remain subdued, growing 1.0% in 2026 before resuming growth in 2027 of 3.0% due to elevated interest rates, a softening labour market and unpredictable policy.

However, this masks divergent themes. Residential building is forecast to continue to be subdued, particularly multi-family. Infrastructure is well-funded and is expected to underpin construction activity with strongest investment in energy and water. While commercial activity is likely to remain soft, data centres are forecast to sustain robust growth throughout the forecast period.

FMI forecast

|        |        |
|--------|--------|
| 2026   | 2027   |
| 1.0% ↑ | 3.0% ↑ |

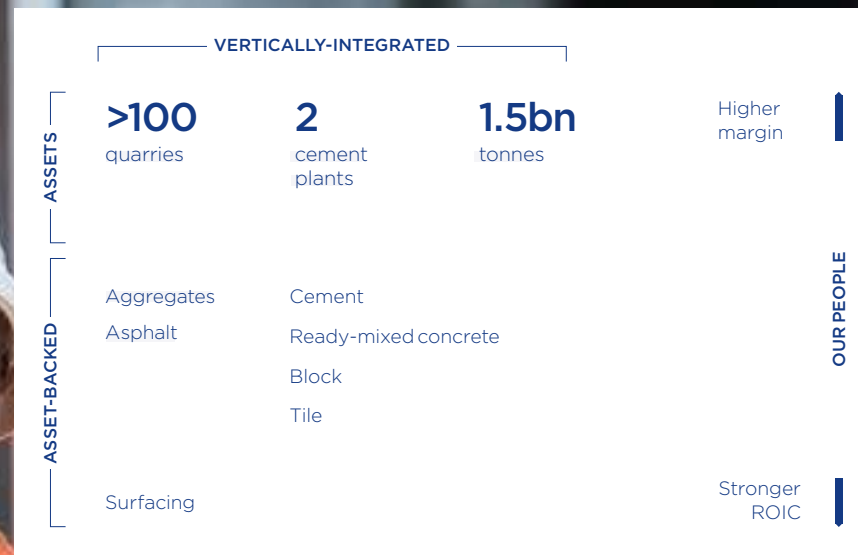
## Business model

### > What we do

#### Generating cash

#### What sets us apart

**Supplying structurally-attractive end-markets with essential building materials, products and services**



### OUR CUSTOMERS

We are a business-to-business provider, serving a diversified network of customers across infrastructure, housebuilding, commercial and industrial end-markets.

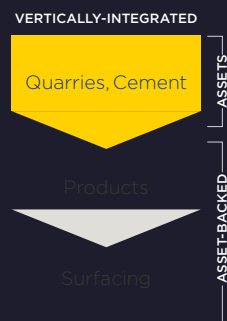
- We provide materials to a diverse customer base including small local businesses, builders merchants and major contractors.
- The infrastructure projects our customers deliver are backed by central government funding or local authority budgets.

We are typically engaged in the early stages of construction projects due to the nature of our products.

- Our materials are utilised in foundations, groundworks and other early-cycle construction phases.
- Our exposure to repair, maintenance and improvement construction is limited.

## Business model

### > What we do



### Generating cash

### What sets us apart

## Our business model in action at our Leaton quarry

### Business-to-business

Our quarries and cement plants produce the materials which flow downstream through the model to our customers and our own operations.

### Buy and build platform

We are a consolidator. As a trusted owner of acquired assets we have a well-populated and active M&A pipeline.

Organic investment complements M&A and is supported by our healthy balance sheet and strong cash generation.

We follow our acquisitions with capital investment, enhancing the assets we acquire and maximising their profitability.

### Transforming acquired assets

Leaton, a hard-stone quarry with on-site asphalt and ready-mixed concrete plants, was one of the first sites acquired by Breedon. The site has recently undergone a multi-year programme of targeted self-help measures and strategic investment.

By upgrading and relocating crushing and screening equipment, alongside other efficiencies, the site team increased high-value aggregate production by c.8% while site operating profit increased by c.30% in the past two years.

While production has more than doubled under Breedon's ownership, we have created the opportunity to extend the quarry and grow output further still.

# c.30%

increase in operating profit

## Business model

### > What we do



### Generating cash

### What sets us apart

## Leaton's downstream products pull through valuable mineral

### Maximising value

Where practical, our ready-mixed concrete, asphalt and block plants seek to use our own aggregates and cement to produce quality-assured materials.

Our processes pull material through to the customer, maximising the value of every tonne of material we produce.

### Operating locally

Our site teams are embedded in their local markets. Our sales and distribution model is regional with direct connections to our sites.

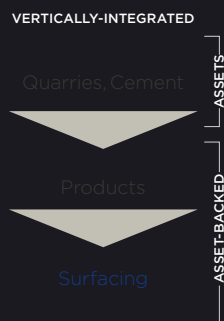
Our people have freedom within a framework to maximise profitability. They are close to their customers, have clear responsibility and accountability, and are empowered to make timely entrepreneurial decisions.

**c.20%**

increase in operating efficiency

## Business model

### > What we do



### Generating cash

### What sets us apart

## Growing our surfacing business enhances our routes to market

### Local supply, national footprint

We deliver surfacing and maintenance services to national frameworks, local road network authorities, and airfield operators.

Our surfacing strategy aims to utilise our core products, enhancing margins within a conservative risk profile.

### Market reach extended

We have built a strong reputation for quality and reliability, providing repeat services to national, state and county customers through our own regional surfacing businesses and tier one contracting partners.

Airfield surfacing is a highly specialised market where we have rapidly established a robust position in the UK and RoI, supplying commercial and defence infrastructure.

# c.50kT

airfield asphalt supplied or laid in 2025



What we do



> Generating cash



What sets us apart



## Business model

What we do

Generating cash

➤ What sets us apart

# Differentiators: our local assets, our people and investment

## Our assets

Opening a new quarry or cement plant is challenging. Consequently, our asset-backed model allows us to maintain our strong position in the market.

- Securing incremental permits and contiguous parcels of land to existing quarries is a key element of our strategy.

## Our investment strategy

Our thoughtful approach to capital allocation has delivered a balanced growth profile where M&A and organic expansion have contributed evenly.

- Since we began trading as Breedon, we have acquired and integrated 31 businesses, where we have a strong track record of improving operations and profitability.
- Disciplined capital investment ensures our assets are well maintained and incorporate the latest innovations.

## Our people

Our first-class team is at the heart of our business and is one of our greatest assets.

- We have an entrepreneurial, empowered and engaged workforce.
- Our colleagues have deep and long-standing local relationships and are connected to their communities, which is key to our licence to operate.

## Our brand

Breedon has become a top five heavyside construction materials provider in GB and RoI in just over a decade. Our brand has gained prominence with a reputation for quality of product and reliability of service. Our Net Promoter Scores (NPS) recognise our services as extremely good. Our brands in the US are known for their quality and reliability.

## Our reputation as an asset owner

Our reputation as a good owner and acquirer of assets benefits our M&A pipeline which is populated with family-run operations for whom this is an important consideration.

## Chief Executive Officer's review and outlook



//  
**A better, stronger  
business, primed  
and ready for  
further growth.**

**Rob Wood**

Chief Executive Officer

### Decisive strategic execution, adapting to market conditions

In 2025, our focus on decisive strategic execution combined with operating and financial discipline, ensured we delivered a further year of revenue and Underlying EBITDA growth, together with excellent cash generation, despite challenging market conditions and political uncertainty. On a like-for-like basis, revenue and Underlying EBITDA declined modestly.

From 1 July 2025 we simplified our management structure, moving to a country-based model that reflects the operating profile of the Group. This development will enable our teams to respond rapidly in each of our different markets, allowing us to access internal efficiencies and provide our customers with an improved level of service.

In a testing year, our first-class team exemplified our values, enhanced the operating efficiency of our business, retained their focus and maintained an industry-leading level of colleague engagement. Thanks to their diligence and commitment we enter 2026 as a better, stronger business across all our divisions.

### Year-on-year growth in Underlying EBITDA

Each of our three divisions had to contend with headwinds in their respective geographies during 2025.

Subdued demand, particularly in the housebuilding sector, combined with political and fiscal disruption, led to the fourth consecutive year of declining volumes in GB with supplied ready-mixed concrete volumes at their lowest levels since 1963.

In Ireland, while the market in RoI has continued to expand, our business was impacted by the deferral of two major infrastructure projects. In the US the residential market remained challenging while extreme weather conditions in the first half of the year disrupted normal seasonal work patterns for our customers.

Decisive execution of our strategy by the team ensured our initiatives gained rapid traction and enabled us to deliver a further year of growth in Underlying EBITDA.

We expanded and diversified our US business through the acquisition of Lionmark, completed three bolt-on transactions in GB and Ireland, and announced the acquisition of Booth Precast Products Limited (Booth) towards the end of the year.

Chief Executive Officer’s review and outlook

The integration of Lionmark into our US business is now substantially complete and we are ahead of schedule in the development of our US platform. We are encouraged by the prospects for our enlarged US business with a healthy pipeline of potential M&A and opportunities for further vertical integration.

We enhanced the efficiency of our operations through targeted self-help programmes, and continued to invest in each of our platforms. As importantly, we have degeared rapidly since the half year, achieving our best post-Covid Free Cash Flow performance and demonstrating yet again the strong cash generation characteristics of our businesses.

Peak Cluster shareholder agreement

The Peak Cluster shareholder agreement represents a significant step towards the ultimate goal of decarbonising 40% of the UK’s cement and lime industry through carbon capture and storage. The agreement provides the financing for the planning of all aspects of the project, as well as the FEED for the pipeline, with a significant cornerstone equity investment of £28.6m secured from the National Wealth Fund.

In parallel, we will now commence FEED on the Hope carbon capture plant. Across Peak Cluster and related projects, we expect to invest over £20m over the next three years in advance of a Final Investment Decision.

£1,714m

Revenue  
(2024: £1,576m)

£134.8m

Statutory Group profit from operations (2024: £149.6m)

£279m

Underlying EBITDA  
(2024: £270m)

24.2p

Statutory Basic earnings per share (2024: 28.1p)

Investing in our future

In 2025 the ARM project was commissioned at Hope.



Bringing low emission secondary materials in by rail.



Enabling material handling, transfer across site, and storage.



## Chief Executive Officer's review and outlook

### British Cement Advocacy

As a leading provider of cement in GB and the largest British-based domestic manufacturer we have campaigned alongside the MPA to raise the profile of this foundation industry and advocate for its key role in our national security and economic prosperity, supporting British jobs, supply chains and decarbonisation.

During 2025 we escalated our parliamentary engagement campaign, highlighting risks to the industry, including uneven carbon regulation, high energy prices, rising labour costs and the increasing flow of imports.

We are advocating for significant Government intervention; our policy asks include establishing a robust Carbon Border Adjustment Mechanism (CBAM), addressing the wider competitiveness challenges, accelerating support for carbon capture technologies, and promoting domestically produced cement in public procurement.

We will continue our engagement throughout 2026 as we strongly encourage the Government and our customers to "Back British Cement".

### Outlook

Construction market indicators in the UK continued to be subdued. Although there are signs that markets are stabilising, the backdrop remains dynamic. While changes to planning regulations are helpful, we believe meaningful recovery in UK residential markets will only be seen if there is appropriate demand stimulus put in place.

The outlook in RoI is very encouraging; net immigration and increasing levels of household formation are driving the need for investment in housing and infrastructure. Funding for this necessary investment of €275m over the coming decade has been allocated in the NDP and is supported by strong economic growth, a budget surplus and is accompanied by enabling legislation.

Infrastructure spending plans in the US Midwest are supportive, underpinned by both state and federal funding programmes. The outlook for residential housebuilding is less certain with affordability challenges leading to a subdued market.

While it is still early in the year, weather patterns in the US Midwest in the first two months of 2026 have been more normal than those experienced in 2025 and the US business has traded encouragingly in the year to date.

In 2026 we will stay focused on operational and commercial excellence programmes. We continue to see sustained higher levels of enquiries across our businesses, particularly in infrastructure where investment in transport, energy and water sectors is well-funded.

Executing targeted bolt-on M&A across all our geographies remains a key strategic objective and we have an active pipeline of opportunities.

Through-cycle organic investment is central to our capital allocation philosophy and, enabled by our strong cash generation and flexible balance sheet, we will continue to invest in our assets, operations and the Breedon team, ensuring we are primed and ready for when our end-markets resume growth.

#### Rob Wood

Chief Executive Officer  
11 March 2026



**Our strategy** Breedon 3.0

## Strategic execution delivered further progress in 2025

In 2025 we implemented our evolved strategy, Breedon 3.0, in which we committed to Expand and Improve the Group, with strategic actions viewed through the lenses of People, Sustainability and Finance.

Prioritising profitable growth has enabled us to deliver another year of meaningful strategic progress. The changes we have made to the Group's management structure have simplified the business still further and will allow us to respond rapidly in each of our different markets.

### EXPAND

Breedon is a consolidator and value adding  
M&A is a key component of our strategy

People

Sustainability

Finance



Replenishing minerals, unlocking  
efficiencies, driving innovation

### IMPROVE

## Our strategy Breedon 3.0



Complementary M&A is at the heart of our profitable growth strategy. Since formation we have built three vertically-integrated platforms in GB, Ireland and the US, unlocking value in the process.

Our ambition in the next decade is to grow the US business to be as large as the GB and Ireland businesses combined.

## US – Lionmark

The most notable transaction in 2025 was the acquisition of Lionmark, a provider of asphalt and surfacing solutions with activities in Missouri and the surrounding states, for an enterprise value of US\$238m.

In combining BMC with Lionmark, we have diversified the US business, rebalanced the US profile towards the well-funded infrastructure market, and enhanced our ability to participate in major projects, such as the I-70 highway improvement programme.

This successful integration means we are ahead of schedule in the development of our US platform and our focus is now on identifying complementary bolt-on transactions as we develop our business across the US Midwest.

## GB and Ireland

Across GB and Ireland we completed three bolt-on acquisitions that each give opportunities for vertical integration of our upstream aggregate and cement products. Towards the end of the year we announced the acquisition of Booth, based in County Laois, which brings sand and gravel mineral reserves within reach of the strategically important Dublin market.

## Disposals

Proactive management of our portfolio is a key element of our capital allocation framework and during the year we disposed of, closed or mothballed 21 surplus sites across the Group and exited our non-core Irish streetlighting business.



## Our strategy Breedon 3.0

# IMPROVE

By bringing the assets we acquire onto our platforms we can unlock efficiencies, drive innovation and provide our customers with a reliable and trusted supply chain partner.

## Enhancing efficiency

Enhancing the efficiency of our operations is central to our day-to-day activities with our core aim being to maximise the value of every tonne of material we quarry. We operate proactive programmes of operational and commercial excellence coupled with targeted investment to unlock efficiencies and promote future growth.



## Replenishing our mineral asset base

The replenishment and extension of our mineral reserves and resources is a critical component of Breedon's investment case. Our mineral asset base, which provides a valuable store of incumbent value and is the lifeblood of future growth, has grown materially in the past three years.

Our Land & Minerals teams are skilled at navigating the complex processes of planning and permitting. In 2025 they replenished our mineral asset base, securing planning for an incremental 29 million tonnes of mineral with an additional 129 million tonnes of prospects at various stages of the planning and approval process.

## Self-help delivered material savings

In response to the challenging markets, our operational excellence initiatives delivered over £20m of savings through a number of initiatives. Procurement and distribution cost savings, headcount reductions, disposal of surplus carbon credits and further operational efficiencies including greater use of alternative fuels, delivered the majority of savings.

## Our strategy Breedon 3.0

### People



Our people are critical to the success of our business and in 2025 our team expanded once again with the addition of c.400 Lionmark colleagues. The move to a country-based operating model has been well received and brings greater opportunities for progression across both our GB and Ireland businesses.

Ensuring our colleagues go Home Safe and Well each day remains our highest priority. While the lost time injury frequency rate was broadly flat in 2025 at 3.4 per million hours worked (2024: 3.3), lost time injuries were generally of a minor nature. Proactive safety activity increased substantially in 2025, supported by higher levels of safety observations, task audits and Visible Felt Leadership visits.

Demonstrating our absolute commitment to keeping our colleagues safe requires visible investment, particularly in the period immediately following acquisition.

Since establishing our US platform we have recruited a high-quality safety team, upgraded personal protective equipment for all colleagues, as well as setting minimum standards for guarding, signage and site design. We have also invested in a mobile driving simulator to assist with the education and training of our US driver colleagues and have seen a significant reduction in the number of truck rollovers.

In 2025 we improved our wellbeing offering to our colleagues, upgrading our occupational health and benefits platform across GB and Ireland, implementing a 'Digital GP' and delivering a 'Winter Wellness' campaign.

Investment in our colleagues continues and during the year we expanded our management training programme across the Group. We reinvigorated our early careers pathway, welcoming 56 apprentices (2024: 40) to a refreshed programme and have established a Breedon Women's Network to provide mentoring and career progression opportunities for our female colleagues.

The success of our People strategy was captured in our latest engagement survey. While the response rate of 70% (2024: 75%) was lower year-on-year, engagement remained high at 77% (2024: 78%).

People

»76

### Sustainability



Our sustainability strategy is well-established and embedded, with delivery groups taking ownership at site level across the business.

Core to this element of our strategy is the disclosure and transparency of our performance. In 2025 we implemented a simple-to-use data capture platform, Enablon, allowing us to gather data in real-time, enhancing performance, data quality, risk management and compliance.

During the year, our US business was incorporated into our Science Based Targets Initiative (SBTi) disclosure for the first time and we continued to make good progress towards our 2030 targets:

- We reduced our combined gross scope 1 and 2 GHG emissions, and scope 3 emissions from purchased clinker and cement by 7% and we remain on track to meet our 2030 carbon emission

reduction target. Taking into account the establishment of our US platform, our SBTi target was re-baselined in 2025.

- To date we have delivered over £130m towards our commitment to deliver £500m of cumulative social value by 2030, investing in community sports and recreation assets, donating laptops to local schools, raising road safety awareness and contributing over 6,700 volunteering hours.
- We increased the contribution of Breedon Balance products to 39% of sales, increasing the use of recycled asphalt planings (RAP), the use of lower embedded carbon CEM II ready-mixed concrete blends, and the use of CarbonCure™ concrete in the US.

Our sustainability progress was recognised with a CDP rating of A- for Climate Change while Water Security was upgraded to B (2024: B-). Our MSCI ESG score improved to AAA (2024: AA), which places us in the top decile of the MSCI All Countries World Index construction materials industry.

Sustainability

»62

Our strategy Breedon 3.0

Finance

To maintain a strong and flexible balance sheet, capital allocation is viewed through the lens of our disciplined financial framework and our performance is measured against a suite of financial metrics.

Our strategy has considerable optionality, providing multiple routes to maximise profitable growth. Through-cycle investment to sustain long-term growth is a key differentiator for Breedon and during the period we again invested ahead of depreciation.

Financial review

»44

A financial framework to underpin our growth

Financial metrics aligned to our strategy

|                      |                          |                          |
|----------------------|--------------------------|--------------------------|
| Growth               | Revenue                  | ▶ Outperforms our market |
| Profitability        | Underlying EBITDA margin | ▶ 17.5%–20.5%            |
| Cash flow            | FCF generation           | ▶ >45% FCF generation    |
| Financial discipline | Covenant Leverage        | ▶ 1x–2x                  |
| Returns              | ROIC                     | ▶ >10%                   |
| Dividend             | Payout ratio             | ▶ 40%                    |

Delivering Breedon 3.0

3–5 years

## Operating reviews Great Britain

# Great Britain

The GB business delivered a robust outcome in challenging markets. Although materials volumes experienced a fourth consecutive year of decline, Underlying EBITDA margins were broadly maintained.

## Highlights

**£1,116.1m**

Revenue  
(3)%

**£185.2m**

Underlying EBITDA  
(4)%

- Subdued end markets; construction activity was impacted by the uncertain political and economic backdrop in 2025
- Country-based operating model; combining the materials, products, cement and surfacing operations to access efficiencies
- Self-help delivered; Underlying EBITDA margins broadly maintained through operational and commercial excellence

## Uncertain economic landscape

Enquiry levels remained elevated throughout the year as customers maintained a readiness to proceed with construction activities. However, orders were impacted as fragile business confidence and the uncertain political and economic backdrop delayed project starts.

## Subdued end-markets

Residential housebuilding was subdued, particularly in the second half. The timing of the government's Autumn Budget impacted activity as affordability concerns affected demand. Reform to the UK planning system is a welcome development, however, this will take time to have a meaningful impact and residential planning approvals in England hit a record low during 2025.

Infrastructure activity was stable. Work on HS2 is now passing its peak while activity on other major projects, such as Sizewell C and modular nuclear, remain in the early stages. The interrupted transition to Road Investment Strategy 3 held back highways spending in England and Wales. However, additional funding was directed to pot-hole repair and in Scotland activity on the major trunk road frameworks regained momentum.

## GB Products

### Aggregates volume million tonnes



### Asphalt volume million tonnes



### Ready-mixed concrete volume million m<sup>3</sup>



### Surfacing Revenue £m



## Operating reviews Great Britain

These divergent dynamics were evident in the organic sales of our products. Aggregate volumes declined 3%. Asphalt volumes, which are more exposed to infrastructure, grew 1% while ready-mixed concrete volumes, which are predominantly exposed to housebuilding, declined 9%.

Following four years of declining volumes, pricing came under pressure as the year progressed. Consequently, revenue declined 3% to £1,116.1m (2024: £1,155.8m) or 4% on a like-for-like basis.

### Operational excellence

We now have a unified operating model in GB, combining the materials, products, cement and surfacing operations under a single leadership team. This has enabled our teams to streamline communication and decision-making, and access further internal efficiencies while improving customer service.

Our operational excellence programme delivered material efficiency savings during the year. The impact of rising National Insurance costs were offset by workforce changes and targeted procurement savings.

Our GB cement team sustained a high level of performance, delivering planned maintenance at our Hope Cement kilns on time and on budget. Plant reliability improved to 97% (2024: 95%) and we achieved 39% fossil fuel replacement, a record level for Hope (2024: 35%). Our proportion of cement sales from lower embedded carbon CEM II in the GB market increased to 35% (2024: 25%).

### Scaling appropriately

We adapted to the soft trading conditions, reviewing the GB footprint and closing or mothballing a number of sites. We extended our southern boundary through bolt-on acquisitions of two ready-mixed concrete providers; Tor Multimix, acquired in March, serves Glastonbury and the surrounding areas, and Hardcrete, acquired in November, strengthens our position north of London.

Taken together, our strategic actions and excellence programmes delivered Underlying EBITDA of £185.2m, a decline of 4% or 5% on an organic basis, and broadly maintained our Underlying EBITDA margin of 16.6% (2024: 16.7%).

## Outlook

In 2026 infrastructure activity is expected to benefit from progress on a number of regulated frameworks. In addition the Accelerated Strategic Transmission Investment framework will mobilise towards the UK's 50GW offshore wind goal.

Residential housebuilding demand in GB is expected to remain constrained by affordability. While planning reforms are welcome and underway, regulation and rising input costs have increasingly impacted the viability of new sites.

Although construction market sentiment indicators in the UK continue to be subdued, there are signs the market is stabilising and the backdrop remains dynamic. We continue to navigate the environment effectively and have secured positions on high-profile projects including the upgrade and resurfacing of the A47 and we are well placed to benefit when the market resumes growth.

### GB Financials

#### Revenue £m



#### Underlying EBITDA £m



#### Underlying EBITDA margin %



## Operating reviews Ireland

# Ireland

The team in Ireland delivered a resilient performance during 2025 with revenue strengthening as we moved through the year.

## Highlights

**£291.6m**

Revenue  
(2)%

**£64.3m**

Underlying EBITDA  
(7)%

- Resilient performance; while project delays impacted 2025, activity levels in RoI concluded the year positively
- Mineral reserves and resources expanded; reactivating further quarries in RoI and increasing vertical integration
- Country-based operating model; bringing together the strengths of the division, unifying brand and enhancing customer service

## Good performance in tough markets

In RoI, while end-market demand remained robust in the year, infrastructure development continued to lag the pace of domestic economic growth.

Our business concluded 2025 positively, undertaking surfacing on high-profile projects including Dublin airport and commencing activity on the delayed Adare Bypass enabling works. The NDP and the associated enabling legislation means that the outlook for the RoI market is very encouraging.

In NI, where construction is primarily driven by central government spending, construction activity was more muted and the A5 upgrade project was paused indefinitely following a ruling from the High Court which is under appeal.

Over the year Ireland aggregate volumes declined 2%, ready-mixed concrete volumes increased 4% and asphalt volumes grew 5%. Revenue declined 2% on a reported and like-for-like basis, reflecting the broadly stable volumes and mix of pricing.

## Ireland Products

### Aggregates volume million tonnes



### Asphalt volume million tonnes



### Ready-mixed concrete volume million m<sup>3</sup>



### Surfacing Revenue £m



Operating reviews Ireland

Underlying EBITDA reduced by 7% to £64.3m (2024: £68.9m) reflecting the mix-shift towards downstream products together with the exit from our non-core NI streetlighting business. While the Underlying EBITDA margin declined slightly in the year, it remains structurally higher than in the recent past.

Strategic focus

We reactivated Spink quarry, our ninth in RoI, and secured planning to proceed with the reactivation of Sligo quarry in 2026. As a result, our Ireland business has expanded mineral reserves and resources three-fold since acquisition in 2018 as we continued to increase vertical integration.

During the year we made significant progress towards expanding our presence in the Dublin market. In addition to announcing the acquisition of Booth, we secured planning for a new ready-mixed concrete plant in Dublin and permission to upgrade our asphalt plant at Ballycoolin.

Our Kinnegad Cement plant, where lower embedded carbon CEM II now accounts for 67% of cement sales (2024: 59%), maintained its high performance, achieving 95% reliability (2024: 94%) while on average replacing 82% of fossil fuels with low carbon alternative fuels.

The solar farm was completed and commissioned during the year. On occasion, when conditions allowed, we were able to run the plant with zero carbon electricity and achieve 100% alternative kiln fuel substitution.

In addition, the new Kinnegad bagging plant was successfully commissioned in the second half, further enhancing our market position with a lower carbon footprint product.

During the period the Ireland team realigned the business to the country-based operating model, bringing together the strengths of the materials, surfacing and cement products, providing our customers in Ireland with a unified brand and enhanced service.

Outlook

The revised NDP committed to a record level of capital investment in RoI of €275bn over the coming decade to improve water, energy and transport infrastructure and accelerate housing delivery. Indicative of the legislature’s commitment to accelerate construction activity, reforms are underway to balance the priorities of the planning process, simplify regulation and reduce the administrative burden of construction development.

The outlook for our Ireland business is positive. While economic growth in NI is expected to remain subdued, the outlook for RoI is encouraging. Enabling works have commenced on the Adare Bypass and we are well positioned to benefit as the NDP takes effect. Our M&A pipeline is active and we continue to pursue further opportunities to access the Dublin market.

Ireland Financials

Revenue  
£m



Underlying EBITDA  
£m



Underlying EBITDA margin  
%



## Operating reviews United States

# United States

The acquisition of Lionmark established our leading position as a vertically-integrated construction materials supplier in Missouri.

## Highlights

**£316.1m**

Revenue  
139%

**£42.8m**

Underlying EBITDA  
73%

- Balanced third platform established; product portfolio diversified and end-market exposure balanced towards infrastructure
- Strong growth in aggregates; well-positioned on major projects; vertical integration increased; pricing power maintained
- Integration progressing as planned; on track to deliver targeted synergies, improving safety through innovation

## Further development of our third platform

We added asphalt and surfacing capability, diversifying our product portfolio and balancing our end-market exposure in the US towards infrastructure.

## Robust end-markets

The infrastructure market in the Midwest was robust during the period as state and federal funding continued to support activity. We secured a strong position on sections of the I-70 highway improvement programme which we are optimally positioned to serve due to quarry and plant location.

Activity more broadly was impacted by the uncertain political and economic backdrop. Residential housebuilding in particular remained subdued, impacted by affordability constraints and the dampening effect of locked-in long-term and low-rate mortgages.

## US Products

### Aggregates volume million tonnes



### Asphalt volume million tonnes



### Ready-mixed concrete volume million m<sup>3</sup>



### Surfacing Revenue £m



Operating reviews United States

In addition to market dynamics, Missouri experienced extreme adverse weather patterns in the first half, disrupting our customers’ activity on site for extended periods. During January and February, St Louis recorded 31 days where average temperatures were below freezing (2024: 9 days) while April 2025 was the wettest month in over 100 years.

Growing profitability

Aggregates volumes increased 65%, or 9% on a like-for-like basis, benefitting from greater vertical-integration and greater quarry throughput. Ready-mixed concrete volumes grew 11% or 4% like-for-like while we recorded our first asphalt volumes in 2025.

Pricing for aggregates was positive with broadly stable asphalt and ready-mixed concrete pricing.

Underlying EBITDA increased 73% to £42.8m (2024: £24.8m) while Underlying EBITDA margin decreased to 13.5% (2024: 18.7%), reflecting the combination of adverse weather conditions in the first half and the inclusion of the lower margin asphalt and surfacing revenues for the first time. On an organic basis, Breedon US recorded an Underlying EBITDA margin of 17.2% (2024: 18.7%) and Underlying EBITDA was flat.

Lionmark integration substantially complete

The integration of Lionmark into our US business is now substantially complete and we are on track to deliver the synergy benefits outlined at the time of acquisition.

Across our US business we continue to align culture with that of the rest of the Group, investing further in health and safety outcomes as well as communicating the Breedon values to our US colleagues.

Outlook

In the US, infrastructure spending plans are supportive, underpinned by both state and federal funding programmes. While the replacement for the IJA funding programme will be authorised in autumn 2026, c.30% of the current programme is yet to be allocated and c.60% is yet to be spent. In addition, state funding for roads and bridges in Missouri has grown to record levels.

The outlook for residential housebuilding in the US is less certain with affordability challenges leading to a subdued housing market.

While it is still early in the year, weather patterns in the Midwest in the first two months of 2026 have been more normal than those experienced in 2025 and the business has traded encouragingly in the year to date.

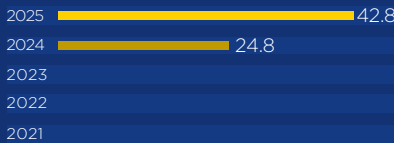
With the acquisition of Lionmark we are ahead of schedule in the development of our US platform and now have a similar balance of end-market exposure to our other geographies. Complementary M&A will remain a key component of our growth strategy and we have an active pipeline of exciting opportunities.

US Financials

Revenue  
£m



Underlying EBITDA  
£m



Underlying EBITDA margin  
%



## Key performance indicators

# Financial

Our financial KPIs are used to measure progress against our strategy and act as risk monitors.

Following the change made in 2024 to make Underlying EBITDA our primary measure of operating performance, we now report Underlying EBITDA margin rather than Underlying EBIT margin. There have been no other changes to either the metrics used as financial KPIs, or the calculation methodology during the current year, although historic earnings and dividend per share measures have been restated for the impact of the 5:1 share consolidation undertaken during 2023.

Where a financial KPI is a non-statutory measure of performance, a reconciliation to the most directly related statutory measure is provided in note 27 to the consolidated financial statements.

### Links to remuneration

Considered by the Remuneration Committee as part of determining the annual bonus

Impacts vesting levels of our longer-term performance share plans

### Revenue

£m



### Underlying EBITDA margin

%



### Adjusted Underlying Basic EPS\*

pence



### Dividend per share\*

pence



### Covenant Leverage

times



### Return on Invested Capital

%



### Free Cash Flow conversion

%



### Why we chose this measure

This metric tracks the Group's top-line growth.

This metric tracks Underlying EBITDA as a percentage of revenue and illustrates operating profitability relative to revenue.

This metric tracks changes in adjusted Underlying Basic EPS attributable to our shareholders.

This metric tracks cash returned to shareholders through dividends.

This is a key credit metric for our providers of debt finance and determines the margin payable on our Revolving Credit Facility.

This metric tracks how well the Group generates returns in relation to the average capital invested.

This metric tracks the conversion of Underlying EBITDA into Free Cash Flow, which is a key indicator that the Group is able to generate sufficient cash to support its capital allocation priorities.

### How we performed

Group revenue increased by 9%, assisted by the acquisition of Lionmark and a full year contribution from BMC. On a like-for-like basis, revenue declined by 3%, primarily due to lower volumes in GB, partially offset by growth in the US.

Underlying EBITDA margin reduced to 16.3% (2024: 17.1%), reflecting a further year of lower volumes and the margin profile of the newly acquired Lionmark business.

Adjusted Underlying Basic EPS decreased to 31.8p from 34.4p in 2024, reflecting lower profitability together with increased interest and amortisation charges.

Dividend per share has increased by 3%. This represents a payout ratio of 47%, slightly ahead of our through the cycle guidance of 40%.

Covenant Leverage increased to 1.8x, well within our target range of 1x to 2x and driven by increased levels of debt used to fund the acquisition of Lionmark.

Post-tax ROIC was lower in 2025 at 7.8% (2024: 9.0%). ROIC was impacted by short term dilution from Lionmark and levels of profitability across the Group coupled with through-cycle investment to facilitate growth as markets recover.

Free Cash Flow conversion increased for the third successive year, from 42% in 2024 to 48% in 2025, ahead of our medium-term target of 45% supported by disciplined working capital management and lower capital expenditure.

### Link

## Key performance indicators

# Non-financial and sustainability

Our non-financial and sustainability KPIs are used to measure progress against our strategy and act as risk monitors.

In line with our upgraded 2030 targets, we began reporting several new metrics in 2025:

- reduction in absolute gross scope 1 and 2 GHG emissions, and scope 3 emissions from purchased cement and clinker;
- generate £500m cumulative social value by 2030; and
- percentage of Group's manufactured product revenue from the Breedon Balance range.

For further information on sustainability, including progress on our metrics, see our Sustainability report from page 62 and our Task Force on Climate-Related Financial Disclosures (TCFD) report from page 88.

### Links to remuneration

- Considered by the Remuneration Committee as part of determining the annual bonus
- Impacts vesting levels of our longer-term performance share plans

### Combined LTIFR

per million hours worked (employee and contractor)



### Combined TIFR

per million hours worked (employee and contractor)



### Reserves and resources

billion tonnes



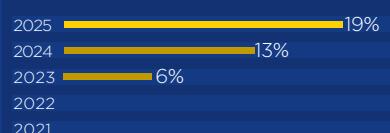
### Emissions intensity - Revenue

kgCO<sub>2</sub>e per £ revenue



### Emissions reduction\*

absolute reduction in scope 1, 2 and 3 emissions (purchased cement only) from 2022 baseline



### Social value generated\*

cumulative £m



### Breedon Balance sales revenue\*

% of total manufactured product revenue



### Why we chose this measure

This industry-standard metric tracks our health and safety performance covering both colleagues and contractors working on our behalf. It also allows us to monitor our performance relative to other businesses.

This is a wider measure of our health and safety performance, which indicates the total injury frequency rate of the Group across our own colleagues and also the contractors working on our behalf.

This metric tracks the level of reserves and resources available to the Group which is a key long term store of incumbent value to the Group.

This is a reporting requirement of the UK Government's SECR regime which tracks our overall carbon intensity and has been reported by the Group since 2019.

This tracks our progress towards our SBTi target to reduce our absolute gross Scope 1, 2 and Scope 3 GHG emissions from purchased clinker and cement by 23.3% by 2030 from a 2022 base year.

This is a key measure of social value generated by the Group and aligns with our 2030 target to generate £500m cumulative social value by 2030.

This tracks our success in increasing our sales of sustainable products and aligns with our 2030 target to achieve 50% of the Group's revenue across the manufactured product portfolio from the Breedon Balance range.

### How we performed

While combined LTIFR performance remains broadly flat, lost time injuries were generally of a minor nature.

We have seen a 5% increase in the combined TIFR in 2025 following the acquisition of the US business.

We increased our asset base to 1.5 billion tonnes, an extra 0.1 billion tonnes since 2024. At current volumes, this equates to around 52 years of production.

Our total location-based emissions during the period decreased by 5% when compared with 2024. The resultant emissions intensity is 0.9kgCO<sub>2</sub>e/E revenue, a reduction of 10% in comparison to 2024.

We have made good progress towards our near-term SBTi target, achieving a 19% reduction against the re-baselined 2022 levels.

During the year we aligned with the Thrive Impact Evaluation Standard, issued guidance and began systematically capturing Group-wide activity data. In 2025 we generated £134.5m of social value.

Breedon Balance sales for all manufactured products in the Group was at 39% in 2025.

### Link

## Chief Financial Officer's review



# // Breedon delivered EBITDA growth and cash generation despite challenging markets.

**James Brotherton**  
Chief Financial Officer

## Revenue and Underlying EBITDA

|                                 | 2025           |                                         | 2024 <sup>1</sup> |                                         |
|---------------------------------|----------------|-----------------------------------------|-------------------|-----------------------------------------|
|                                 | Revenue<br>£m  | Underlying<br>EBITDA <sup>2</sup><br>£m | Revenue<br>£m     | Underlying<br>EBITDA <sup>2</sup><br>£m |
| Great Britain                   | 1,116.1        | 185.2                                   | 1,155.8           | 192.7                                   |
| Ireland                         | 291.6          | 64.3                                    | 297.6             | 68.9                                    |
| United States                   | 316.1          | 42.8                                    | 132.5             | 24.8                                    |
| Central administration          | -              | (13.5)                                  | -                 | (16.5)                                  |
| Eliminations                    | (10.0)         | -                                       | (9.6)             | -                                       |
| <b>Total</b>                    | <b>1,713.8</b> | <b>278.8</b>                            | <b>1,576.3</b>    | <b>269.9</b>                            |
| <b>Underlying EBITDA margin</b> |                | <b>16.3%</b>                            |                   | <b>17.1%</b>                            |

<sup>1</sup> Restated to reflect the changes from a divisional management structure to a country-based management structure in 2025.

<sup>2</sup> Underlying results are stated before acquisition-related expenses, property gains and losses, redundancy and reorganisation costs, cement decarbonisation costs, amortisation of acquired intangibles, unamortised banking arrangement fees (where applicable) and related tax items.

In 2025 Breedon delivered further growth in Underlying EBITDA together with excellent cash generation, supported by disciplined self-help measures, despite challenging markets in each of the Group's geographies.

Group revenue for the year increased by 9% to £1,713.8m (2024: £1,576.3m), assisted by the acquisition of Lionmark in March 2025 and a full year contribution from BMC. On a like-for-like basis, revenue declined by 3% (2024: decrease of 5%), primarily due to lower volumes in GB, partially offset by growth in the US.

Underlying EBITDA increased by 3% to £278.8m (2024: £269.9m), supported by cost discipline and operational excellence initiatives across the business. Underlying

EBITDA margin reduced to 16.3% (2024: 17.1%), reflecting a further year of lower volumes and the margin profile of the newly acquired Lionmark business.

Our depreciation and depletion charge increased to £113.2m (2024: £99.7m) due to the impact of the acquisitions together with the major capital projects constructed in 2024 starting to be depreciated.

On a statutory basis, Group profit from operations of £134.8m decreased by £14.8m from £149.6m in 2024. The Group maintained strong operational control throughout the year, ensuring statutory performance remained resilient despite softer market conditions.

## Chief Financial Officer's review

### Restated segmental reporting

With effect from 1 July 2025, the Group moved from a divisional structure (Great Britain, Ireland, United States and Cement) to a country-based management structure (Great Britain, Ireland and United States).

Our 2025 results have been reported under the new country-based structure with comparative information restated. A restated five-year historical financial track record (unaudited) covering 2020 to 2024 may be found on page 208.

### Impact of acquisitions

The acquisition of Lionmark for an enterprise value of US\$238m completed in March 2025. In its ten month period under our ownership Lionmark contributed £161.4m of revenue and £21.1m of Underlying EBITDA.

Three bolt-on acquisitions were completed during the year. The incremental impact of these together with the acquisitions that completed in 2024 was a contribution to revenue of £25.2m and these were broadly breakeven in the year. Refer to note 25 for further details.

The acquisition of Booth was announced before the year end and completed on 27 February 2026. Consequently, there is no financial impact on the Group's 2025 results.

### Joint ventures

Our associate and joint ventures delivered a strong performance in 2025, with our share of profit increasing to £4.1m (2024: £3.5m), with a notable contribution from BEAR Scotland in the year.

### Interest

Finance costs in the year increased to £29.7m (2024: £25.4m), principally due to interest payable on the additional debt drawn to fund the acquisition of Lionmark.

### Non-underlying items

Non underlying items totalled £34.9m (2024: £25.4m). The increase was primarily driven by higher amortisation of acquired intangibles following the acquisitions of BMC and Lionmark. Acquisition-related expenses were £3.8m, £6.4m lower than the prior year. Cement decarbonisation costs incurred were £5.8m, reflecting our initial investment in Peak Cluster and costs of carbon capture and storage. Redundancy, reorganisation and other costs rose to £1.6m (2024: £1.3m), following the divisional restructure. £1.6m of gains on disposal of property were recognised as non-underlying during the year (2024: loss of £0.1m).

### Taxation

The Group recorded an Underlying tax charge of £29.9m (2024: £32.7m) representing an Underlying effective tax rate of 21.3% (2024: 21.7%). The impact of Pillar Two on the Group's Underlying tax charge was modest, amounting to £0.1m (2024: £0.6m).

The statutory tax charge, calculated relative to statutory profit before tax and inclusive of deferred tax rate changes, was £21.4m (2024: £29.1m); equivalent to a statutory effective tax rate of 20.3% (2024: 23.2%).

The lower statutory effective tax rate is largely driven by a prior year adjustment recognising the future deductibility of acquisition costs for US tax purposes.

### Earnings per share

Statutory Basic EPS decreased to 24.2p (2024: 28.1p) reflecting lower profitability together with increased interest and amortisation charges. Adjusted Underlying Basic EPS decreased to 31.8p (2024: 34.4p).

The Group has no significant dilutive instruments, and diluted EPS measures closely track non-diluted measures for both the current and prior year.

### Return on Invested Capital

Post-tax ROIC was lower in 2025 at 7.8% (2024: 9.0%). ROIC was impacted by short term dilution from Lionmark and levels of profitability across the Group coupled with through-cycle investment to facilitate growth as markets recover.

We remain confident in our ability to deliver a ROIC ahead of our target of 10% in the medium term once volumes in our key markets recover.

### Statement of financial position

Net assets at 31 December 2025 were £1,197.2m (2024: £1,170.6m). Increases in total assets to £2,357.6m (2024: £2,155.1m) and total liabilities to £1,160.4m (2024: £984.5m) were mainly driven by the acquisition of Lionmark.

### Impairment review

We completed our annual impairment review of Cash-Generating Units (CGUs) containing goodwill and retained headroom in all three CGUs relative to the carrying value of our asset base.

In light of GB market conditions, we carried out additional sensitivities in relation to the GB CGU and still retained sufficient headroom. Further details on sensitivities to our key assumptions can be found in note 9.

## Chief Financial Officer's review

### Input cost and hedging strategy Free Cash Flow

Our strategy in the UK and RoI is to hedge substantially all energy and carbon requirements through forward contracts for at least one year in advance, with further layered purchases extending into future years to deliver near-term cost certainty, particularly for our cement plants. Our US business does not include a cement plant and so its energy requirements are materially lower than the UK and Ireland.

Following a reduction in our near-term carbon requirements in the UK, we sold 480,000 of surplus UK Carbon Allowances generating cash proceeds of £27.1m and realising Underlying EBITDA of £6.0m which has been recognised in the period.

A proportion of our bitumen requirements are hedged in the short-term, typically for those larger contracts where pricing is agreed up front. Our remaining bitumen purchases are made at spot as are the majority of purchases of other fuels.

The Group demonstrated excellent cash generation during the year with FCF before major capital investment projects increasing to £133.2m (2024: £114.1m) – a record post-Covid performance. FCF conversion improved for the third successive year to 48%, and is now ahead of our target of 45%, supported by disciplined working capital management and lower capital expenditure.

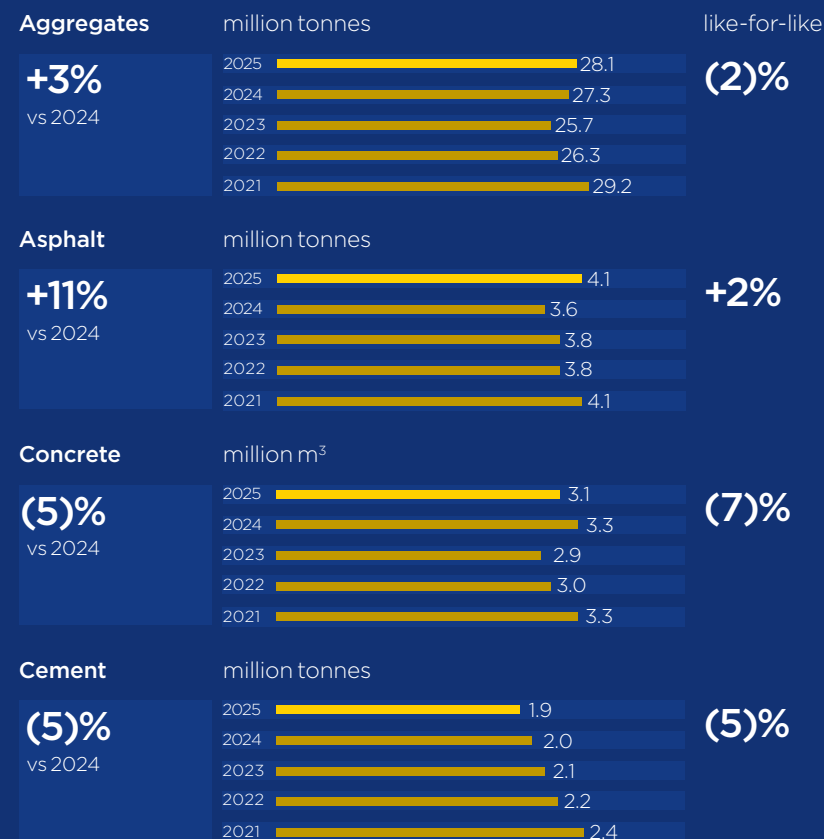
Net capital expenditure was lower in the year at £110.5m (2024: £125.6m), reflecting the completion and commissioning of the major capital projects undertaken in 2024. Net capital expenditure comprises capital investments of £120.1m (2024: £131.3m), which equates to 106% of depreciation (2024: 132%), offset by £9.6m of proceeds from specific asset disposals (2024: £5.7m).

### Net Debt

Net Debt increased to £527.3m (2024: £405.3m), driven primarily by the Lionmark acquisition. Net Debt includes IFRS 16 lease liabilities of £46.2m (2024: £48.7m).

At the year end, Covenant Leverage was better than expectations and was well within our target range of 1x to 2x at 1.8x (2024: 1.4x), having reduced by 0.4x from our half year peak of 2.2x, our largest in-year deleveraging since 2021.

### Year-on-year change in volumes

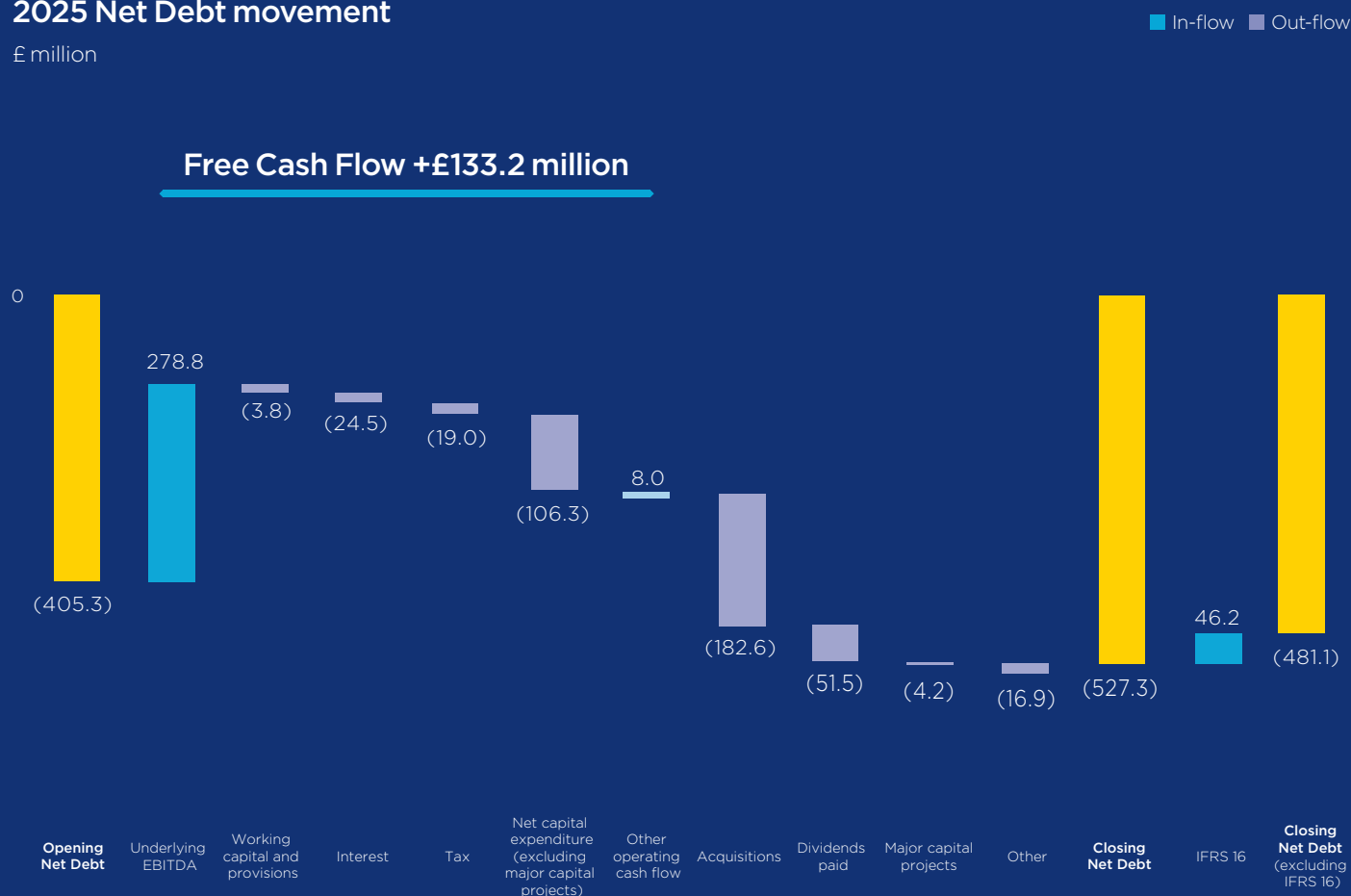


Percentage increase/decrease rates are based on unrounded volume data.  
Like-for-like percentages reflect reported volumes adjusted for the impact of acquisitions and disposals.

## Chief Financial Officer's review

### 2025 Net Debt movement

£ million



### Refinancing of borrowing facilities

During the year, we extended our £400m Revolving Credit Facility by 12 months to July 2029. We issued a further €95m of USPP loan notes taking our total issuance outstanding under the programme to c.£330m. These loan notes provide long-term financing at low fixed rates of interest with an average coupon of between 2% and 4%. Repayment dates for the USPP range between 2028 and 2036.

Our borrowing facilities are subject to leverage and interest cover covenants which are tested half-yearly, and we remained fully compliant with all covenants during the period.

At 31 December 2025 the Group had total available liquidity in excess of £245m comprising undrawn borrowing facilities of over £130m together with cash and cash equivalents of over £115m.

Free Cash Flow excludes the impact of major capital projects, which comprised the ARM project in Hope and the solar farm in Kinnegad.

## Chief Financial Officer's review

### Dividend

Reflecting the Group's strong cash generation, the Board intends to recommend a total dividend of 15.00p (2024: 14.50p), subject to shareholder approval at the AGM. This represents a payout ratio of 47%, slightly ahead of our through the cycle guidance of 40%. Since starting to pay a dividend in 2021, we have declared around £210m of cash dividends to shareholders.

An interim dividend of 4.75p (2024: 4.50p) was paid on 7 November 2025 and a final dividend of 10.25p per ordinary share will be paid on 10 July 2026 to shareholders who are on the Register of Members at the close of business on 29 May 2026. The ex-dividend date is 28 May 2026. The latest date for registering for the Company's DRIP is 19 June 2026; further details of how to join the DRIP are available on the Company's website.

Dividends are recorded in the financial statements of the accounting period in which they are paid. Accordingly, dividend payments to Breedon Group shareholders amounting to £51.1m (2024: £48.1m) have been recognised in the 2025 financial statements.

### Tax strategy

Breedon's tax strategy governs our approach to tax compliance, and is underpinned by the following principles:

- To comply with all relevant tax regulations.
- To ensure ethical tax practice is maintained and tax planning is undertaken responsibly.
- To engage proactively and transparently with relevant tax authorities.
- To manage tax risks effectively and maintain a high standard of tax governance.

Our tax strategy is reviewed periodically by the Audit & Risk Committee on behalf of the Board. The full tax strategy may be found on the Group's website.

During the year we complied with our stated tax strategy and we made a significant contribution to the economies in which we operate through payments of taxation. In 2025 the total taxes borne or collected by the Group amounted to c.£215m (2024: c.£200m).

### Capital allocation

Conservative and disciplined financial management and the maintenance of a strong balance sheet are at the core of our thoughtful approach to capital allocation. The Board will always seek to deploy the Group's capital responsibly, focusing on organic investment in our business to ensure that our asset base is well-invested.

We will look to pursue further selective complementary acquisitions which will accelerate our strategic development and that we are confident will create long-term value. This conservative approach to financial management enables us to utilise the cash generation of the Group to pursue capital growth for our shareholders through active development of our business, while supporting our progressive dividend policy.

All transactions and material capital projects undergo pre-investment review and challenge as to whether expected returns from the investment are likely to meet or exceed the Group's minimum threshold requirements. Formal post investment reviews ensure that the delivered financial outcome is fully understood, and any lessons learned are shared across the Group.

In the event that leverage was to approach the lower end of the Group's target range and limited opportunities to deploy capital were available to the Group, consideration would be given by the Board to returning surplus capital to shareholders, including the repurchase of shares.

**James Brotherton**  
Chief Financial Officer  
11 March 2026



🔍 The tax strategy is kept under review by the Audit & Risk Committee on behalf of the Board. Click or scan to find out more.

## Managing our risks and opportunities

# Effective risk management is fundamental to the successful delivery of our strategy

## Our risk framework

Risk is an inherent and accepted element of doing business, and effective risk management is fundamental to the successful delivery of our strategy. Our risk management framework facilitates the identification, assessment and mitigation of risks to an acceptable level, enabling us to make informed decisions and deliver our strategic priorities.

## We operate a four lines of defence risk management and internal control framework

Our framework has defined roles and responsibilities for risk management.



## Managing our risks and opportunities

### Risk identification, assessment and monitoring

Our management teams assess the likelihood and potential impact of key risks against a risk matrix containing a range of both quantitative and qualitative factors for consideration.

Once identified and assessed, risks are assigned to a member of senior management who is accountable for ensuring appropriate processes and controls are implemented to mitigate that risk to within the level of appetite set by the Board, which may include the transfer of risk through insurance.

Risks are assessed both before and after the impact of these mitigations and recorded on risk registers which are held for each division and central function.

Risk registers are monitored and signed off by management. The Head of Risk and Control reviews the registers and identifies the most significant risks for inclusion on the Group risk register. The Group risk register consolidates risks by principal areas and is reviewed at least twice a year by both the Executive Committee and the Board. Post-mitigation 'net risk' is reported within the principal risk table on pages 51 to 57.

### Risk assurance and reporting

The second-line Group Risk and Controls team undertake various process reviews throughout the year, including testing of compliance with the Group Financial Controls framework, to provide assurance over the divisional self-certification process.

Our Internal Audit function undertakes a number of independent reviews across our principal risk areas to provide assurance over the effectiveness of key controls. These reviews are agreed annually in advance with the Audit & Risk Committee at the point of approval of the Internal Audit plan, although there is opportunity throughout the year to make amendments to the plan should this be required.

Findings resulting from these reviews are reported throughout the year to the Audit & Risk Committee along with the actions that have been agreed with management. Progress with previously agreed mitigating actions is monitored throughout the year by the Group Risk and Controls team and validated by Internal Audit, with formal progress updates provided to the Audit & Risk Committee.

### Risk appetite

The level of risk accepted in pursuit of our strategic goals is guided by our risk appetite, which is set by the Board and reviewed on an annual basis. This provides clear guidance to management as to the level of risk the Board considers acceptable and sets appropriate boundaries for business activities and behaviours.

The following appetite statements are used to describe the level of risk the Board is prepared to take across each of the principal risk areas.

#### Averse

We have little appetite for risk and will seek to apply more controls to minimise our exposure and avoid uncertainty.

#### Cautious

We have an appetite for some risk, however, we prefer options that have a low degree of downside.

#### Open

We are open to taking considered risks and will choose options that offer an acceptable level of reward with a greater likelihood of success.

#### Seeking

We are willing to take proactive risks and be more innovative to pursue strategic opportunities and achieve higher returns, despite the higher inherent risks. The costs and benefits of the increased risk accepted must be fully understood and measures to mitigate or transfer the risk established.

### Risk categorisation

Our risk review processes apply a common methodology across the Group for identifying and assessing risk. Principal risks are categorised as either Strategic, Operational or Financial. Compliance risks span all three categories. The categories are defined as:

#### Strategic risks

Events that may make it difficult, or even impossible, for the Group to achieve its strategic objectives.

#### Operational risks

Events or threats that are inherent in our day-to-day operations.

#### Financial risks

Threats arising from ineffective management and control of the Group's financial resources or movements in the financial markets.

### Risk velocity

Risk velocity is defined as the time elapsing between an event occurring which crystallises a risk and the point at which Breedon would be impacted. Risk velocity is expressed in days, weeks, months or years.

## Principal risks

## Our principal risks are considered to be the most significant risks that might adversely impact the Group

The principal risks and uncertainties outlined in this section reflect those risks that, in the opinion of the Board, might materially affect the Group's future performance, prospects or reputation.

The assessment of these principal and emerging risks, and the effectiveness of the associated controls put in place, reflect management's current expectations, forecasts and assumptions, and will be subject to changes in our internal and external operating environments.

|             | Risk                                         | Summary                                                                                                                                                | Appetite | Net risk rating                                                                                  | Velocity | Trend                                                                                 |
|-------------|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------|----------|---------------------------------------------------------------------------------------|
| Strategic   | 1 Acquisitions and material capital projects | Our ability to complete the acquisitions and strategic projects required to deliver our growth strategy.                                               | SEEKING  | MEDIUM<br>    | YEARS    |    |
|             | 2 Climate change                             | The transitional and physical risks arising from climate change as we decarbonise our business.                                                        | OPEN     | VERY HIGH<br> | YEARS    |    |
|             | 3 Markets                                    | The impact of the macroeconomic environment on our business.                                                                                           | OPEN     | HIGH<br>      | MONTHS   |    |
|             | 4 Land and mineral management                | Replenishment of our mineral reserves and resources; ensuring compliance with planning and environmental regulations.                                  | CAUTIOUS | MEDIUM<br>    | YEARS    |    |
|             | 5 People                                     | The successful recruitment, development and retention of our people.                                                                                   | CAUTIOUS | MEDIUM<br>    | YEARS    |    |
| Operational | 6 Competition                                | The impact of our competitors on our market share and profitability.                                                                                   | OPEN     | HIGH<br>      | MONTHS   |    |
|             | 7 Failure of a critical asset                | The risk of unplanned downtime resulting in operational inefficiency at our critical operating locations.                                              | AVERSE   | HIGH<br>      | DAYS     |    |
|             | 8 Health and safety                          | Ensuring our employees and other stakeholders return Home Safe and Well.                                                                               | AVERSE   | HIGH<br>    | DAYS     |  |
|             | 9 IT and cyber security                      | The impact of a cyber security incident or a lack of resilience in our technology infrastructure causing disruption to our operations.                 | AVERSE   | HIGH<br>    | DAYS     |  |
|             | 10 Laws, regulations and governance          | Our ability to comply with all applicable laws, regulations and principles of corporate governance.                                                    | AVERSE   | MEDIUM<br>  | DAYS     |  |
|             | 11 Supply chain and input costs              | Managing input costs volatility and supply chain risk.                                                                                                 | OPEN     | MEDIUM<br>  | MONTHS   |  |
|             | 12 Treasury                                  | Our ability to secure access to the capital needed to deliver our growth strategy and to manage the impact of interest and currency rate fluctuations. | CAUTIOUS | LOW<br>     | YEARS    |  |

## Principal risks

## Net risk rating

Low Medium High Very high

| Risk context                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How this risk could impact us                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Mitigations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Trend                                                                                                                                                                                                                                      | Velocity                                                                                                                                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>STRATEGIC RISKS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                        |
| <b>1 Acquisitions and material capex projects</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                         | <b>YEARS</b>                                                                                                                                                                                                                           |
| <p>Our growth strategy is predicated on the continued successful execution and integration of M&amp;A and delivery of major capital investment projects. These come with higher levels of inherent risk compared to 'business as usual' operations.</p> <p><b>Emerging risk:</b><br/>Government policy in respect of carbon capture and storage</p>                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>— If we do not identify suitable acquisition targets which meet our stringent criteria on quality, price and sustainability, we could not execute the inorganic element of our growth strategy.</li> <li>— Failure to integrate acquisitions successfully, including delivering expected synergies, could result in lower returns on capital.</li> <li>— Competition authorities may restrict the businesses we are able to acquire.</li> <li>— If capital projects overrun in either cost or time, these could fail to deliver expected benefits and cause business disruption.</li> </ul> | <ul style="list-style-type: none"> <li>— Acquisitions are subject to rigorous due diligence and approval processes, supported by specialist advisers, and include careful consideration of competition regulation and sustainability.</li> <li>— Material capital projects and business integrations are subject to detailed project plans, implemented by dedicated teams and with progress monitored by the Board.</li> </ul>                                                                                                                                                                                                                                                                  | <p>No significant change to risk profile in 2025.</p> <p>The integration of Lionmark is substantially complete.</p> <p>We have a steady pipeline of opportunities and will continue to pursue transactions across all three platforms.</p> | <p>Although it is possible for a failed acquisition or capital project to have a more immediate impact, this risk is most likely to impact over a number of years, reflecting the longer-term nature of our growth strategy.</p>       |
| <b>2 Climate change</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                         | <b>YEARS</b>                                                                                                                                                                                                                           |
| <p>Climate change poses a significant challenge to our business and our response to climate risks and opportunities forms a critical pillar of our strategy.</p> <p>Cement manufacturing in particular emits significant amounts of carbon, with emissions hard to abate due to the majority being released through chemical reactions during the manufacturing process. Delivering on our commitment to achieve net zero by 2050 will require significant capital investment and the development of technology which has not yet been proven commercially at scale.</p> <p><b>TCFD reporting</b> »88</p> <p><b>Emerging risk:</b><br/>UK CBAM<br/>Government policy in respect of carbon capture and storage</p> | <ul style="list-style-type: none"> <li>— If we do not successfully decarbonise our business in line with our targets and the wider industry we may be exposed to significant additional costs and reduced demand for our products.</li> <li>— The impact of government policies, including carbon border adjustment mechanisms, may make it more difficult for us to recover the cost of decarbonisation investments through our pricing strategy.</li> <li>— We may experience operational disruption due to the physical impacts of climate change.</li> </ul>                                                                   | <ul style="list-style-type: none"> <li>— We have committed to net zero by 2050, with medium-term targets set through to 2030. These have been validated by the SBTi. We are transparent in reporting our progress against these and senior management remuneration is structured to incentivise delivery.</li> <li>— We have appropriate sustainability governance structures and processes, overseen by the Board with support from external specialists where appropriate.</li> <li>— We are an active member of the MPA and the Global Cement and Concrete Association (GCCA), supporting collaborative approaches to climate challenges and policy development across the sector.</li> </ul> | <p>We have recognised an emerging risk in 2025 in relation to government policies expected to impact how businesses can recover carbon costs.</p>                                                                                          | <p>This risk is most likely to impact over the medium term, as physical impacts are slow to materialise in our trading geographies and the level of decarbonisation in any one year is less significant than the multi-year trend.</p> |

## Principal risks

## Net risk rating

Low Medium High Very high

| Risk context                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | How this risk could impact us                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Mitigations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Trend                                                                                                                                                                                                                                                                                                            | Velocity                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>STRATEGIC RISKS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                         |
| <b>3 Markets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                               | <b>MONTHS</b>                                                                                                                                                                                           |
| <p>Demand for our products is well diversified across the public and private sectors, and our products are supplied into a variety of infrastructure, residential and commercial projects. Although the medium- to long-term prospects remains positive for our industry, our markets are cyclical and in particular are influenced by interest rates, business and consumer confidence, planning regulations and the level of government infrastructure spending.</p> <p>We accept the risk of operating in these markets; however, to succeed our operating model has to combine resilience during market downturns with the strategic flexibility to meet demand when markets are growing.</p> <p><b>Emerging risk:</b><br/>UK CBAM<br/>Middle East conflict</p> | <ul style="list-style-type: none"> <li>Macroeconomic factors or changes in government policy could reduce demand for our products, impacting our profitability.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>We closely follow published indicators of activity in our geographies and sectors and maintain regular contact with our key stakeholders to identify significant trends or events which could impact our business.</li> <li>Our budgeting and forecasting processes provide up-to-date financial information which allows us to adapt our plans accordingly.</li> </ul>                                                                                                                                                                                                                                    | <p>Macroeconomic conditions remain challenging, with the impact of tariffs, geopolitical events and global economic uncertainty increasing levels of short-term market risk.</p> <p>Over the medium- to long-term, we continue to believe end-markets will be supportive of demand in each of our platforms.</p> | <p>Market downturns usually impact within months as our customers complete their existing projects which are replaced with lower levels of new work.</p>                                                |
| <b>4 Land and mineral management</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                             | <b>YEARS</b>                                                                                                                                                                                            |
| <p>Minerals are the lifeblood of our business, and we extract significant volumes each year to be sold as aggregates or fed into our downstream manufacturing processes.</p> <p>Securing new reserves organically has a significant lead time from the agreement of a land deal through to the granting of planning permission, meaning our Land &amp; Minerals teams need to plan for the long-term to ensure continuity of production.</p> <p>Once reserves are secured, we must comply with environmental regulation, planning restrictions and permits to ensure we can continue to operate. When a site is no longer operational, we are required to fulfil our restoration obligations.</p>                                                                   | <ul style="list-style-type: none"> <li>If we fail to replenish our mineral reserves and resources over time, we will be deprived of our critical raw material, disrupting operations and reducing the value of our business.</li> <li>If we fail to measure our existing reserves and resources accurately, we may operate our quarries inefficiently.</li> <li>Failure to comply with planning requirements or to obtain new or extended permissions at a quarry or plant could prevent the business from operating facilities or extracting its mineral reserves.</li> <li>A compliance breach could incur significant remediation costs and impact our licence to operate that site and ability to secure new mineral reserves.</li> <li>The costs to fulfil our restoration obligation at end of quarry life may increase by more than we have forecast, resulting in additional costs.</li> </ul> | <ul style="list-style-type: none"> <li>Our Land &amp; Minerals teams support our businesses in obtaining additional mineral reserves and resources, providing in-house expertise through the life of our quarries and plants.</li> <li>We monitor our mineral assets to assess both the quality and the longevity of our resources, with the aid of external experts.</li> <li>We proactively monitor environmental compliance, including restoration plans, and have policies in place setting clear expectations on how we should manage our environmental impact. These are communicated to our people through training programmes.</li> </ul> | <p>No significant change to risk profile in 2025.</p>                                                                                                                                                                                                                                                            | <p>Absent a material compliance breach which could have an immediate impact for the site involved, this risk is primarily multi-year risk if we fail to manage our minerals pipeline appropriately.</p> |

## Principal risks

## Net risk rating

Low Medium High Very high

| Risk context                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | How this risk could impact us                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Mitigations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Trend                                          | Velocity                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| STRATEGIC RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                |                                                                                                                                                                                                                    |
| 5 People                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | →                                              | YEARS                                                                                                                                                                                                              |
| <p>We employ c.4,800 colleagues, a number of whom work in highly skilled and specialised roles.</p> <p>Recruitment is expected to become more challenging in future years as a significant proportion of the workforce across our industry approaches retirement.</p> <p>Our People Plan seeks to embed our values, attract a talented and diverse workforce, provide opportunities for everyone and ensure Breedon remains a great place to work.</p> <p><b>Emerging risk:</b><br/>Artificial intelligence</p> | <ul style="list-style-type: none"> <li>Failure to attract and retain suitably skilled and capable people could adversely affect the Group's ability to deliver its strategic objectives.</li> <li>Inadequate succession planning processes could result in short-term operational disruption if key individuals leave the business.</li> <li>Failure to equip our people with the right skills and training increases the possibility that they will not deliver to their full potential.</li> </ul>                                                                                                           | <ul style="list-style-type: none"> <li>Our People team provide the framework of policies and procedures to mitigate this risk.</li> <li>The Group has an established succession planning framework aligned closely with future workforce planning requirements.</li> <li>Comprehensive leadership and talent development strategies are in place to strengthen capability across the organisation.</li> <li>Continued investment is made in early and mid-career development programmes to build a robust pipeline of future talent.</li> <li>See People on pages 76 to 80 for further details.</li> </ul> | No significant change to risk profile in 2025. | This risk is most likely to impact gradually over a number of years.                                                                                                                                               |
| OPERATIONAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                |                                                                                                                                                                                                                    |
| 6 Competition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | →                                              | MONTHS                                                                                                                                                                                                             |
| <p>We face volume and price competition from both large and small players in our industry. As our products are largely commodities, the strength of our customer relationships and service offering can be a key differentiator in securing orders.</p> <p><b>Emerging risk:</b><br/>UK CBAM</p>                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>If we fail to deliver consistently excellent customer service, increasingly underpinned by our technology offering and innovation, we may lose market share to our competitors.</li> <li>Our competitors' pricing strategies could cause supply/demand imbalances and limit our ability to implement price rises to cover increasing costs.</li> <li>A new entrant to our markets could gain market share, reducing our sales volumes.</li> <li>Over the longer term, competing alternative products could emerge which reduce demand for our core products.</li> </ul> | <ul style="list-style-type: none"> <li>Our commercial teams engage closely with our customers to understand their needs and provide excellent customer service.</li> <li>We have made a number of strategic investments in digital projects to improve the customer experience and simplify administrative processes.</li> <li>Our product technical teams evaluate and research new products, materials, methods and technologies and test these in the field to assess their performance.</li> </ul>                                                                                                     | No significant change to risk profile in 2025. | This risk can impact in the short term at a local level through either a new entrant or changes in competitor behaviour; however more fundamental shifts to the competitive landscape are likely to be multi-year. |

## Principal risks

## Net risk rating

Low Medium High Very high

| Risk context                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | How this risk could impact us                                                                                                                                                                                                                                                                                       | Mitigations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Trend                                          | Velocity                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------|
| <b>OPERATIONAL RISKS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                |                                                                                             |
| <b>7 Failure of a critical asset</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | →                                              | DAYS                                                                                        |
| <p>Our two cement plants and some of our larger quarries make a significant contribution to our overall profitability and significant management focus is devoted to maximising production uptime and efficiency at these locations.</p> <p>Our cement plants in particular are complex manufacturing environments, operating 24/7 outside of planned maintenance shutdowns and the reliability of the kilns is critical to our operational success.</p>                                                                                                                                                                 | <ul style="list-style-type: none"> <li>— An unplanned production outage at one of our two cement plants or at a small number of critical quarries could reduce production efficiency, causing significant operational disruption and loss of earnings.</li> </ul>                                                   | <ul style="list-style-type: none"> <li>— Our sites have real-time performance monitoring and preventative maintenance and inspection programmes designed by our specialist plant engineers, with external support utilised when appropriate.</li> <li>— Each of our cement kilns is subject to an annual shutdown in accordance with a planned maintenance schedule.</li> <li>— Back-up processes and facilities are in place across critical areas of the plants and spare parts are held for critical equipment.</li> <li>— We hold business interruption insurance and continue to strengthen business continuity plans.</li> </ul>                | No significant change to risk profile in 2025. | This risk could have an immediate impact if a critical asset suffered unscheduled downtime. |
| <b>8 Health and safety</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | →                                              | DAYS                                                                                        |
| <p>Our industry has to operate in inherently dangerous environments, involving heavy machinery, extreme temperatures in manufacturing processes, the use of explosives in our quarries and significant numbers of plant and vehicle movements. Our risk extends to locations outside of our direct control such as road surfacing, rail operations and construction sites.</p> <p>We take our responsibility to keep our people safe and well extremely seriously, with robust control practices and a constant focus on continuously improving our safety culture. However, we cannot eliminate this risk entirely.</p> | <ul style="list-style-type: none"> <li>— The most serious impact would be fatality or significant physical harm caused to our employees or other stakeholders.</li> <li>— If we were deemed culpable, we could be impacted by significant regulatory fines, reputational damage and business disruption.</li> </ul> | <ul style="list-style-type: none"> <li>— Our Health, Safety and Wellbeing teams have day-to-day management responsibility for this risk with oversight from the Group Chief Operating Officer.</li> <li>— We promote a strong safety culture with a focus on continuous improvement and personal ownership of health, safety and wellbeing.</li> <li>— We provide people with the tools and equipment they need to do the job safely and invest in risk reduction technologies and regular training.</li> <li>— Detailed investigations into both actual and potential incidents, and the sharing of learnings help to prevent recurrence.</li> </ul> | No significant change to risk profile in 2025. | This risk could have an immediate impact in the event of a serious incident.                |

## Principal risks

## Net risk rating

Low Medium High Very high

| Risk context                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How this risk could impact us                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Mitigations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Trend                                                                                                                                                                                                         | Velocity                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>OPERATIONAL RISKS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                               |                                                                                                                                                                                                                                      |
| <b>9 IT and cyber security</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                            | <b>DAYS</b>                                                                                                                                                                                                                          |
| <p>Our business is becoming increasingly digital, which requires resilient and secure digital infrastructure as a foundation, both within Breedon and at approved third parties who are provided with access to our data and systems.</p> <p>At the same time, external cyber threats are growing increasingly frequent and sophisticated, with more significant potential impacts. This means management of our cyber risk remains fundamental to our strategy.</p> <p><b>Emerging risk:</b><br/>Artificial intelligence</p>                                                     | <ul style="list-style-type: none"> <li>A cyber security incident, whether through external cyber attack or internal data breach, could cause operational disruption, data loss, financial penalties, reputational damage and potential legal consequences.</li> <li>Lack of infrastructure resilience could result in business disruption and reduce our ability to benefit from increasing digitalisation.</li> <li>Systems integration projects or significant IT changes may lead to business disruption.</li> </ul> | <ul style="list-style-type: none"> <li>Our dedicated Information Security team monitors and responds to new and existing cyber risks with the support of external service providers.</li> <li>Our people undertake regular cyber training, including simulated phishing attacks to educate users on cyber risk.</li> <li>Policies and processes are in place, including business continuity and disaster recovery plans, to define the standards of controls we have implemented to prevent, detect and respond quickly to events.</li> <li>We are increasing investment in digital infrastructure to increase security and resilience.</li> <li>IT system development projects are carefully planned and managed with defined governance and control procedures. This includes operational technology projects.</li> </ul> | <p>Our risk continues to trend upward, despite ongoing investment into our cyber posture, as attacks become increasingly sophisticated and our growing digital footprint elevates our potential exposure.</p> | <p>A cyber attack or a failure in critical IT infrastructure could have an immediate impact.</p>                                                                                                                                     |
| <b>10 Laws, regulations and governance</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                          | <b>DAYS</b>                                                                                                                                                                                                                          |
| <p>We must comply with an increasingly complex set of laws and regulations in all of our trading locations with the penalties for getting compliance wrong becoming more severe.</p> <p>These include, among others: environmental, competition, fraud, bribery, market abuse, taxation and data privacy, in addition to the requirements arising from our listing on the London Stock Exchange.</p> <p>Our compliance programme sets clear expectations and provides our people with support to do the right thing.</p> <p><b>Emerging risk:</b><br/>Artificial intelligence</p> | <ul style="list-style-type: none"> <li>A breach of laws and regulations could expose us to significant legal consequences including fines, reputational damage and operational disruption.</li> </ul>                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>Our Legal and Compliance team monitors and responds to legal and regulatory developments, supported by external expertise where required.</li> <li>We maintain specific policies for each area of compliance, which are communicated to our people through regular training.</li> <li>An externally facilitated, confidential whistleblowing process overseen by the Audit &amp; Risk Committee.</li> <li>Our tax compliance is monitored by the Group tax team applying the principles of the Senior Accounting Officer requirements in the UK.</li> </ul>                                                                                                                                                                                                                          | <p>This risk has stabilised as we have substantially completed the integration of our US businesses and strengthened our compliance procedures.</p>                                                           | <p>This risk could result in an immediate impact if a law or regulation was found to have been breached.</p> <p>Over a multi-year period a repeated failure to demonstrate strong compliance could have additional consequences.</p> |

## Principal risks

## Net risk rating

Low Medium High Very high

| Risk context                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | How this risk could impact us                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Mitigations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Trend                                                                                                                                                                                                        | Velocity                                                                                                                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>OPERATIONAL RISKS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                              |                                                                                                                                                                                                               |
| <b>11 Supply chain and input costs</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                           | <b>MONTHS</b>                                                                                                                                                                                                 |
| <p>The majority of our raw material requirements are minerals which we already own and sit as mineral reserves and resources in our quarries, providing a natural hedge against inflation.</p> <p>Of our remaining cost base, a significant proportion is either directly or indirectly impacted by the price of hydrocarbons and so are sensitive to the global geopolitical trends which have caused significant cost volatility in recent years.</p> <p><b>Emerging risk:</b><br/>Middle East conflict</p>                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>— If we do not pass on increased input costs immediately to our customers, our profitability and margins will be adversely impacted.</li> <li>— The execution of our procurement and hedging strategies could fail to provide us with appropriate cost certainty, or result in overpaying for commodities.</li> <li>— If we cannot obtain alternative fuels and raw materials for our cement business, production may be disrupted.</li> <li>— If we fail to contract with counterparties who are reliable and maintain high standards of governance, compliance and sustainability, we may be exposed to operational disruption, reputational damage and fines.</li> </ul> | <ul style="list-style-type: none"> <li>— Input cost increases are passed onto customers through our deliberate pricing strategy to recover costs.</li> <li>— Our layered hedging strategy provides a degree of cost certainty around energy, bitumen and carbon allowances under both UK and EU ETS schemes.</li> <li>— We are investing in a number of longer-term renewable energy generation projects for electricity to reduce dependency on volatile markets.</li> <li>— Our strategic purchasing programme aims to secure contracts for key products and services to ensure counterparties are assessed and selected with considerations covering a wide range of criteria.</li> </ul> | <p>No significant change to risk profile in 2025.</p>                                                                                                                                                        | <p>While prices can move significantly in the short-term, our hedging programme delays the likely impact for our key input costs to reduce the velocity to months.</p>                                        |
| <b>FINANCIAL RISKS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                              |                                                                                                                                                                                                               |
| <b>12 Treasury</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                          | <b>YEARS</b>                                                                                                                                                                                                  |
| <p>Access to capital at appropriate rates is a prerequisite of our growth strategy. Our capital structure, which includes USPP and RCF facilities, gives us immediate access to significant liquidity, and it is important to us that we maintain strong relationships with both our lenders and shareholders to ensure this continues.</p> <p>Our trading operations use Sterling, Euro and US Dollar as functional currencies.</p> <p>We aim to use the natural hedges that arise from our operations in currencies other than Sterling; however, it remains important to execute our treasury strategy effectively to minimise unnecessary currency volatility.</p> <p><b>Emerging risk:</b><br/>Middle East conflict</p> | <ul style="list-style-type: none"> <li>— Lack of sufficient available capital could cause us to miss out on significant growth opportunities or, in extreme situations, threaten the viability of our business.</li> <li>— Increased interest rates could result in reduced profitability.</li> <li>— The value of our earnings and assets may be impacted by currency fluctuations.</li> </ul>                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>— We maintain good relationships with our lenders and shareholders and have a strong history of raising debt and equity financing.</li> <li>— We utilise fixed and floating rate borrowings to minimise interest costs while maintaining appropriate levels of liquidity.</li> <li>— Our borrowings are structured to mitigate the impact of currency fluctuations on asset values.</li> </ul>                                                                                                                                                                                                                                                        | <p>Interest rates for our key currencies reduced during the year and are expected to continue to fall.</p> <p>Leverage increased following the Lionmark acquisition but remains within our target range.</p> | <p>The most significant impact would be an inability to successfully refinance our facilities.</p> <p>Our current maturity profile means that this risk would not impact us in the short- to medium-term.</p> |

## Managing our risks and opportunities

### Emerging risks

Emerging risks are identified through our established risk management processes. We define an emerging risk as either a newly developing risk that cannot yet be fully assessed, or a partially understood risk considered unlikely to materialise or have a material impact in the near term. While emerging risks often align with one or more of our existing principal risks, they may also lead to the identification of new principal risks as our understanding evolves.

We have reported two specific climate-related risks as emerging in 2025 because of their potential impact across a number of our principal risks. As climate change and the decarbonisation of the business remains a significant evolving risk, they should be considered alongside the climate-related risks and opportunities outlined in our TCFD report.

In previous years, we reported the rapid increase in connectivity of operational technology as an emerging risk. The pace of change has now stabilised and risk is now managed and reported as part of our IT and cyber security principal risk.

TCFD reporting

»88

| Emerging risk                                                                                                                                                                                                                                                                                                                                                        | Link to principal risk(s)                                                                                                         | Possible impacts                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Artificial intelligence</b>                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                   |                                                                                                                                                                                                                                                                                                                 |
| As artificial intelligence (AI) is embedded into our business processes and utilised by third parties, the potential impacts increase.                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>IT and cyber security</li> <li>Laws, regulations and governance</li> <li>People</li> </ul> | <ul style="list-style-type: none"> <li>Automation and increased sophistication of cyber attacks</li> <li>Data security and privacy</li> <li>Accuracy, auditability and risk of bias in AI outputs</li> </ul>                                                                                                    |
| <b>UK Carbon Border Adjustment Mechanism</b>                                                                                                                                                                                                                                                                                                                         |                                                                                                                                   |                                                                                                                                                                                                                                                                                                                 |
| The uncertainty around whether the UK CBAM will be implemented effectively and ensure a level playing field for domestic cement manufacturers competing with higher carbon imports.                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Markets</li> <li>Competition</li> <li>Climate change</li> </ul>                            | <ul style="list-style-type: none"> <li>Increasing volume of imported cement manufactured with lower environmental standards impacting on fair competition</li> <li>Reduced commercial viability of decarbonisation investments negatively impacting our ability to meet our carbon reduction targets</li> </ul> |
| <b>Government policy in respect of carbon capture and storage</b>                                                                                                                                                                                                                                                                                                    |                                                                                                                                   |                                                                                                                                                                                                                                                                                                                 |
| <p>UK government support is needed to enable the Peak Cluster carbon capture and storage (CCS) project to proceed and deliver our roadmap to decarbonise our GB cement business.</p> <p>This is an evolving area of government policy and consequently the nature of such support remains unclear.</p>                                                               | <ul style="list-style-type: none"> <li>Climate change</li> <li>Major capital projects</li> </ul>                                  | <ul style="list-style-type: none"> <li>Reduced commercial viability of decarbonisation investments negatively impacting our ability to meet our carbon reduction targets</li> </ul>                                                                                                                             |
| <b>Middle East conflict</b>                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                   |                                                                                                                                                                                                                                                                                                                 |
| Conflict in the Middle East in 2026 has increased regional instability with a wide range of potential consequences for the global economy. While Breedon has no direct presence in the region, the indirect effects have the potential to impact several of our Principal Risks, especially over the medium- to longer-term as existing hedging arrangements expire. | <ul style="list-style-type: none"> <li>Input costs and supply chain</li> <li>Markets</li> <li>Treasury</li> </ul>                 | <ul style="list-style-type: none"> <li>Reduced consumer and business confidence</li> <li>Higher hydrocarbon and energy prices</li> <li>Supply chain disruption</li> <li>Reduced profitability</li> <li>Higher costs of borrowing</li> </ul>                                                                     |

Managing our risks and opportunities

Preparing for Provision 29

Throughout 2025 we have been preparing for the implementation of the amended Provision 29 of the 2024 UK Corporate Governance Code. Provision 29 concerns risk management and internal controls,

with the first Board declaration in relation to the effectiveness of the Group's material internal controls in respect of financial, reporting, operational and compliance risks required in the 2026 Annual Report.

1 Approach to identification of material controls

Our second-line Group Risk and Controls team have led the process reviewing the Group's risk profile, utilising the existing risk management and internal control frameworks, to determine those that are a 'material' risk, to the Group.

For each material risk we have identified the most critical controls, which are relied upon by senior management and the Board to oversee and manage the risk.

| Risk category                   | Financial (including fraud)                                                                    | Reporting | Operational                                                                                                                | Compliance |
|---------------------------------|------------------------------------------------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------|------------|
| Material control definition     | Controls that address risks that financial and non-financial reporting is materially incorrect |           | The most important controls which reduce the likelihood of the material components of principal risks to a tolerable level |            |
| Our approach                    | The Group Financial controls and Fraud risk management frameworks and key audit matters        |           | The Group's risk registers which form part of Breedon's Group risk management framework and Principal risk reporting       |            |
| Breedon's entity-level controls |                                                                                                |           |                                                                                                                            |            |

2 Scope

We identified 31 material controls across our identified risk areas: financial, reporting, operational and compliance. Cyber, IT and legal compliance controls formed part of this review as well as entity level controls, such as delegation of authority and whistleblowing.

We have been able to leverage the work undertaken to evolve the Group's approach to risk and control over recent years to rely on higher level frameworks, such as the Group's financial controls framework, to reduce the number of individual controls.



3 Board engagement and embedded accountability

The Audit & Risk Committee, on behalf of the Board, has been actively involved in the scoping process to support alignment between executive and non-executive management, and the outputs from the process have been subject to review by RSM, our outsourced internal auditor.

Each material control has been assigned a named senior manager who is responsible for the ongoing effectiveness of the control and accountable to the Board.

4 Assurance planning

The Group Risk and Controls team have undertaken preliminary testing, including design and implementation walkthroughs, to understand the baseline and establish what effectiveness looks like for each control. Where gaps were identified, improvement plans were put in place.

Our assurance policy and five-year plans have been updated to incorporate specific requirements in respect of the material controls identified, which are as follows:

- Annual attestation of effectiveness from each process owner;
- Annual internal testing by the Group Risk and Controls team of each material control; and
- Third-line testing, either through RSM's internal audit or another appropriate third-party, of a selection of controls on a rotational basis.

## Viability Statement

# Viability Statement

In accordance with provision 31 of the UK Corporate Governance Code (the Code), the Board has assessed the viability of the Company over a three-year period to December 2028, taking into account the Company's current position and principal risks.

Based on that assessment, the directors 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 to 31 December 2028.

## Viability assessment period

The directors have determined that three years is an appropriate timeframe over which to provide a Viability Statement. This is aligned to the period in which the long-term plan is derived. The directors consider that demand in the Group's business is ultimately driven by certain key markets and macroeconomic factors which are difficult to project accurately beyond a three-year period.

The Board's assessment of the Group's financial position at 31 December 2025 is set out in the Chief Financial Officer's review on pages 44 to 48. Important aspects of that assessment that are most relevant to the assessment of viability are:

- although like-for-like volumes have reduced during 2025, as a result of challenging market factors, the Group has achieved resilient underlying results through disciplined self-help measures;
- the Group's operations are consistently cash generative, and underpinned by well-invested assets; and

- the Group has significant headroom in borrowing facilities. As at 31 December 2025, the Group had undrawn bank facilities in excess of £130m and cash and cash equivalents of £115.5m, with Covenant Leverage of 1.8x. The Group comfortably met all covenants in 2025 and the other terms of its borrowing agreements in the period.

When assessing viability, the Board considers the Group's business model and strategy as outlined on pages 22 to 27 and the principal risks set out on pages 51 to 60.

## Budgeting and long-term planning

Breedon's viability prospects are assessed primarily through the Group's budgeting and strategic planning process. The annual Group budget is compiled in the autumn of each year and generates a detailed forecast for the year ahead. The budget is performed at a site-by-site level which is reviewed by divisional management before being presented to the directors and finally reviewed and approved by the Board.

The long-term strategic plan is formulated at a higher level and applies a series of assumptions to the budgeted figures. The divisional strategies together with the long-term market outlook are considered within the long-term planning process and reviewed by the CFO. The output of the long-term plan includes a consolidated set of financial projections for the Group covering the budget plus a further two year period, including a review of forecast debt covenant compliance and debt headroom. The long-term plan reviewed as part of the assessment of prospects in this report covers the three-year period ending 31 December 2028.

## Severe but plausible downside scenarios

While we have estimated the size of each of the severe but plausible scenarios described on the following page, we have grouped scenarios with similar impact types together and performed stress testing for the scenario with the greatest impact.

## Viability Statement

The risks and scenarios tested are described below:

| Risk assessed                                     | Severe but plausible scenario                                                                                   | Stress test applied                                                                                                                                              |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Acquisitions and material capital projects</b> | A material capital investment project experiences delays and overspends, resulting in business disruption.      | <ul style="list-style-type: none"> <li>Adverse one-off cost event</li> <li>Reduction to revenue and profitability</li> <li>Increased opening Net Debt</li> </ul> |
| <b>Markets</b>                                    | A deteriorating macroeconomic environment results in reduced demand for our products.                           | <ul style="list-style-type: none"> <li>Reduction to revenue and profitability</li> </ul>                                                                         |
| <b>Land and mineral management</b>                | Compliance breaches are identified resulting in immediate remediation costs and the temporary closure of sites. | <ul style="list-style-type: none"> <li>Adverse one-off cost event</li> <li>Reduction to revenue and profitability</li> </ul>                                     |
| <b>Competition</b>                                | A loss of market share to competitors or new entrants and increased pressure on pricing.                        | <ul style="list-style-type: none"> <li>Reduction to revenue and profitability</li> </ul>                                                                         |
| <b>Failure of a critical asset</b>                | An unplanned production outage causes significant operational disruption and loss of earnings.                  | <ul style="list-style-type: none"> <li>Adverse one-off cost event</li> </ul>                                                                                     |
| <b>Health and safety</b>                          | A serious health and safety incident leading to regulatory fines, reputational damage and business disruption.  | <ul style="list-style-type: none"> <li>Adverse one-off cost event</li> <li>Reduction to revenue and profitability</li> </ul>                                     |
| <b>IT and cyber security</b>                      | A cyber attack results in business disruption and data loss leading to regulatory penalties.                    | <ul style="list-style-type: none"> <li>Adverse one-off cost event</li> <li>Reduction to revenue and profitability</li> </ul>                                     |
| <b>Laws, regulations and governance</b>           | A breach of law or regulations results in a significant one-off penalty.                                        | <ul style="list-style-type: none"> <li>One-off financial penalty</li> </ul>                                                                                      |
| <b>Supply chain and input costs</b>               | Input costs rise without the ability to offset through pricing actions.                                         | <ul style="list-style-type: none"> <li>Reduction to revenue and profitability</li> </ul>                                                                         |
| <b>Treasury</b>                                   | Interest rates increase.                                                                                        | <ul style="list-style-type: none"> <li>An increase to base rate</li> </ul>                                                                                       |

The risks and scenarios tested are described below:

| Stress test                                   | Amount modelled                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Increased opening debt</b>                 | Opening Net Debt is increased by £100m on the first day of the assessment period.                                                                                                                                                                                                                    |
| <b>Reduction to revenue and profitability</b> | Budgeted revenues reduce by 10% in the first year then 5% thereafter in each of the following two years, with profitability also adversely impacted.                                                                                                                                                 |
| <b>Adverse one-off cost event</b>             | A £50m cash outflow part way through the year.                                                                                                                                                                                                                                                       |
| <b>One-off financial penalty</b>              | A one off £5m cash outflow part way through the year.                                                                                                                                                                                                                                                |
| <b>Increase to base rate</b>                  | Base rate is assumed to increase by 2% for the assessment period.                                                                                                                                                                                                                                    |
| <b>Combined scenario</b>                      | Budgeted revenues and profitability reduce as outlined in the stress test above, opening debt is increased by £100m, interest costs and cash flows increase due to the increased debt and a 2% increase to the base rate. In addition, one-off cost events of £55m combined are assumed in year one. |

Breedon have tested the above scenarios individually as well as the combined scenario outlined. After undertaking reasonable mitigating actions, forecasts show that covenants are complied with and Breedon should be able to comfortably withstand the impact of the severe but plausible scenarios.

The models take account of the natural reduction in variable costs and availability and likely effectiveness of mitigating actions available to the Group, including the flexing of capital expenditure, dividend payments and reducing discretionary spend. The models do not include significant structural

actions, such as closing or mothballing quarries or divesting assets, which would be undertaken in the event of being necessary. The models do not consider changes to the Group's capital structure which it may be able to make through refinancing existing debt facilities and/or raising equity finance.

## Going Concern

The directors have continued to adopt the Going Concern basis in preparing the financial statements (see note 1 in the notes to the consolidated financial statements).



## Sustainability

# Driving practical, transparent, and lasting sustainable change

We recognise the critical role we play in shaping a more resilient, low carbon future – both through how we operate today and how we plan for tomorrow.

Our approach to sustainability is grounded in pragmatic action, strong governance and transparency.

Across the Group, we continue to embed sustainable practices that generate stakeholder value, enhance support for our people and communities, and reduce our environmental impact, ensuring accountability and alignment with expectations of responsible business.

### Our strategic priorities and progress

We have made meaningful progress towards our sustainability objectives, building on the framework established in 2021 following the materiality assessment undertaken in 2020.

During the year, we advanced several initiatives to improve our sustainability performance. These include embedding a new ESG reporting system, upgrading our ESG reporting processes, expanding our evaluation of climate- and nature-related risks and opportunities and collaborating with industry partners to address systemic sector challenges. This included progressing the Peak Cluster CCS project to FEED stage. For more detail on our progress per pillar, see pages 67 to 86.

### Our priorities remain focused on:

- reducing our environmental footprint through decarbonisation, operational efficiency, responsible resource use and investment in sustainable processes and technologies that enhance our impact on nature;
- supporting our people and communities by developing a diverse, empowered workforce and fostering a culture of wellbeing, engagement and shared value;
- expanding our sustainable product solutions through continued investment in research and development, innovation and collaboration;
- strengthening safety, governance and transparency by reinforcing health, safety and wellbeing practices and sustainable procurement; and
- enhancing our internal systems and processes to ensure our disclosures remain robust, relevant and compliant as reporting standards evolve.

## Sustainability Our approach

# Breedon's sustainability journey

## 2020

- Group Sustainability Director appointed
- Materiality Assessment completed

## 2021

- 100% renewable energy tariff in place
- Strategic Sustainability Framework published
- 2030 targets established
- Group-wide suite of sustainability policies published
- 139 sites with responsible sourcing certification

## 2022

- First Biodiversity Action Plans created
- Apprentice programme commenced
- Breedon Balance product range launched
- Board-level Sustainability Committee formed
- Executive remuneration linked to sustainability targets
- External assurance of key sustainability metrics
- First TCFD-aligned disclosure in Annual Report

## 2023

- SBTi targets developed and submitted for approval
- ISO 50001 certification achieved
- Extended Responsible Sourcing certification across the UK and Ireland
- New Sustainable Procurement Policy published
- First CDP disclosure, achieving a B for Climate Change and a C for Water Security

## 2024

- SBTi near-term and net-zero targets approved
- First trial of an electric concrete mixer
- New approach to measuring and reporting social value established
- Group-wide Sustainability Steering Committee formed
- Upgraded 2030 sustainability targets released at Capital Markets Day
- First Group EcoVadis disclosure – Bronze medal
- Second CDP disclosure, with improved scores; A- for Climate Change, B- for Water Security

## 2025

- First Climate Transition Plan published
- 14MW solar farm operational at Kinnegad
- Record kiln alternative fuel rate at Kinnegad Cement plant
- FEED for the Hope CCS pipeline commenced
- ARM project operational at Hope Cement plant
- Double Materiality Assessment in development
- Achieved AAA ESG rating from MSCI
- Third CDP disclosure, achieving A- for Climate Change and improved score of B for Water Security

## Sustainability Our approach

### Climate-related risk and preparedness

In 2025, we undertook enhanced TCFD-aligned scenario modelling to assess wider physical risks, including the extreme weather experienced in Q1 2025. Our analysis confirmed that transitional risks – primarily rising carbon-pricing and future decarbonisation investment needs – remain significantly more material than physical risks, which continue to be relatively limited across our portfolio. A detailed assessment of climate-related risks, opportunities and scenario outcomes is provided on pages 88 to 95. These insights continue to strengthen our understanding of climate risk and support resilient long-term planning.

Alongside this, we continued to strengthen our nature-related disclosures in line with evolving global frameworks, including the Taskforce on Nature-related Financial Disclosures (TNFD). This work is helping us build a more complete view of our environmental impacts and dependencies, ensuring our approach reflects a genuinely holistic understanding of how we interact with nature.

In 2025, we published our first Climate Transition Plan, setting out a clear and credible pathway for delivering our net zero commitments. Aligned with the Transition Plan Taskforce (TPT) Disclosure

Framework, the report brings together our decarbonisation levers, science-based targets, governance arrangements and investment priorities into one coherent plan. It outlines how we will reduce emissions across our operations, scale lower-carbon technologies and products, and strengthen resilience as the transition accelerates. This first report marks an important step in providing transparent, long-term transition planning for our stakeholders.

### Strategic oversight, governance and risk management

We take a structured approach to governing our sustainability priorities, ensuring clear oversight, effective risk management and strong compliance. Strong governance is a strategic advantage for Breedon, supporting resilience and long-term value.

Our model ensures colleagues understand and own our priorities, enabling consistent management of sustainability-related risks and opportunities. Progress is driven by our Sustainability Steering Committee and topic-specific Delivery Groups, which develop recommendations, support implementation and share best practice.

This work is supported by our wider governance framework, led by the Board and Executive Committee and underpinned by milestone plans that ensure accountability and measurable progress.

Aligned with recognised best practice, our approach includes:

- regular Board oversight and integration of sustainability into corporate strategy and risk registers;
- clear roles and responsibilities embedded in leadership objectives and operational processes;
- robust policies and internal controls aligned with external frameworks and regulatory expectations;
- stakeholder engagement mechanisms to understand impacts, expectations and emerging issues; and
- transparent performance monitoring and reporting, supported by reliable data and independent assurance.

Together, these elements ensure sustainability is well governed, effectively managed and fully embedded in how we operate as a business.

#### The Board

- Holds ultimate accountability for long-term sustainable value creation and overall ownership of the sustainability strategy, including climate-related risks and opportunities.
- Receives regular sustainability updates from management. See Section 172 statement on page 97.
- Supported by the Board-level Sustainability Committee.

#### Sustainability Committee Board-level

- Oversees sustainability strategy, policies and targets, and monitors performance. Further detail is provided in the Sustainability Committee Report on pages 124 and 125.
- Receives updates from the Group Sustainability Director on sustainability and climate-related risks, opportunities and progress.
- Reviews Group-wide policy suitability and the integrity of sustainability and climate disclosures.

#### Audit & Risk Committee Board-level

- Reviews and challenges sustainability and climate-related risks within the Group's principal risk assessments.
- Assesses the effectiveness of risk identification and management, reviews climate disclosures and oversees assurance of climate metrics.

#### Remuneration Committee Board-level

- Ensures remuneration structures align with sustainability and climate targets.
- Monitors performance against those targets when determining remuneration outcomes. Further detail is provided in the Directors' Remuneration report on pages 132 to 148.

## Sustainability Our approach

### Nomination Committee Board-level

- Ensures the Board and senior leadership have the skills and experience needed to oversee sustainability and climate matters effectively.

### Executive Committee

- Leads the design and execution of sustainability and climate policies and strategies.
- Receives updates and recommendations from the Group Sustainability Director and the Sustainability Steering Committee.
- Sets objectives and targets and leads the design and execution of sustainability and climate policies and strategies.
- Makes operational and strategic decisions (except those reserved for the Board) for delivery through country teams and Group functions.

### Sustainability Steering Committee

- Brings together senior representatives from GB, Ireland and the US to coordinate implementation of the sustainability strategy.
- Supports cross-country collaboration, continuous improvement and progress monitoring against country roadmaps and Group targets.
- Reviews policies, risks, opportunities and the integrity of sustainability and climate disclosures.

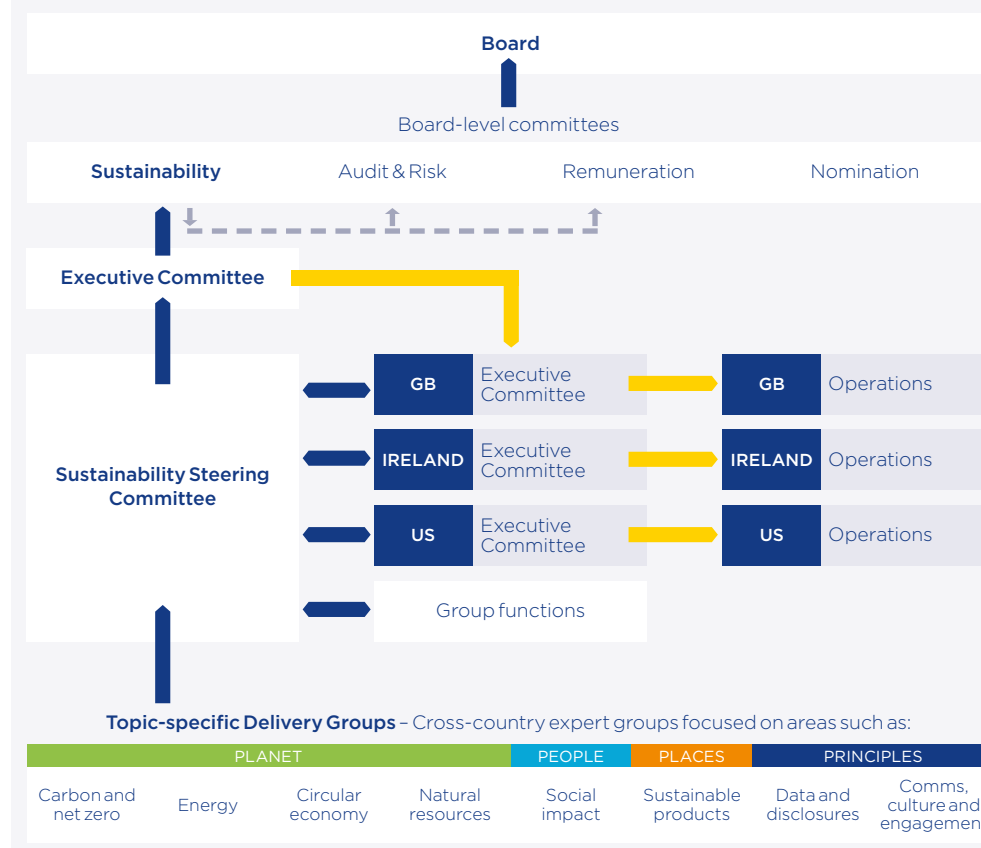
### Group Sustainability function

- Governs sustainability and climate strategy; proposes targets and KPIs; monitors performance and risks.
- Ensures alignment across countries; supports delivery teams and Group functions.
- Manages culture, communications, reporting, assurance and external disclosures.
- Led by the Group Sustainability Director, who also chairs the Steering Committee and provides regular updates to the Executive Committee and Board-level Sustainability Committee.

### Topic-specific Delivery Groups

- Cross-country expert groups that monitor risks and opportunities and collaborate to create guidance, tools and resources that embed best practice across our operations.
- Define KPIs, including climate-related KPIs, and ensure practical measures support delivery of our targets.

## Sustainability governance process



## Sustainability Our approach

### Frameworks and standards

As a UK-registered business, we report our sustainability performance in accordance with recognised frameworks and standards, including TCFD and SECR, and we continue to develop our alignment with the TNFD.

Aligning with these frameworks ensures that our disclosures remain transparent, consistent and decision-useful for stakeholders. This alignment enhances the credibility and comparability of our reporting and reflects our commitment to strong governance and responsible business practices.

We closely monitor emerging ESG regulations, reporting frameworks and standards including the Corporate Sustainability Reporting Directive (CSRD) and the UK Sustainability Reporting Standards to ensure that our disclosures remain compliant and up to date.

### Verified performance and transparent disclosures

To strengthen confidence in our reporting, we maintain a clear basis of reporting, supported by robust data systems and independent external assurance of key sustainability metrics. This approach enables us to disclose our performance consistently and transparently for stakeholders.

Our commitment to high-quality reporting is reflected in our external ratings and assessments. In 2025, we achieved a Bronze EcoVadis award for the Group; improved CDP scores for Climate Change and Water Security; and continued to strengthen our position in leading ESG assessments, demonstrating the credibility and maturity of our sustainability performance.

### Highlights of 2025

- Successful implementation of a Group-wide ESG reporting and management tool, enabling improved decision-making and disclosures.
- Significant reductions achieved in key carbon reduction metrics: -7% per tonne; -5% overall and record levels of alternative fuel usage at both Kinnegad (82%) and Hope (39%) cement plants.
- Generated over £134m and making good progress towards our longer-term social value goal.
- Increased the proportion of revenue from Breedon Balance products to 39%.
- Strengthened industry partnerships to support shared sustainability goals, including progress on the Peak Cluster CCS project.
- Updated sustainability ratings, including improvements in CDP scores and in MSCI and Sustainalytics assessments.



### Looking ahead

Sustainability remains central to our long-term business strategy. Over the coming year, we will undertake a detailed materiality assessment to ensure our strategic focus remains relevant and robust.

We will continue to refine our transition planning, enhance the integration of ESG considerations across our operations and

work closely with stakeholders to deliver meaningful progress towards our 2030 targets and 2050 ambitions.

We remain committed to acting responsibly, reporting transparently and delivering outcomes that create lasting value for all our stakeholders.

Sustainability Our progress

2025 progress on our strategic sustainability priorities



Breedon's approach to decarbonisation is underpinned by SBTi approved science-based targets, specifically designed around decarbonising the construction industry and focusing on where our most carbon intensive impacts lie.

STRATEGIC FOCUS AREAS

- Decarbonising our operations
- Responsible use of natural resources
- Biodiversity and nature commitments

2030 TARGET

- Achieve a **23.3%** reduction in absolute gross scope 1 and 2 GHG emissions, and scope 3 emissions from purchased clinker and cement (2022 baseline)

PROGRESS



As Breedon continues to recognise and understand the interlinkages between climate, nature and society, we have dedicated a pillar under our plan to demonstrate our approach to our value chain, society and our colleagues.

STRATEGIC FOCUS AREAS

- Colleague engagement and training
- Community engagement
- Developing sustainable supply chains

2030 TARGET

- Generate **£500m** cumulative social value (from 2025)

PROGRESS



Breedon's Places pillar is designed to guide our strategy for sustainable product development, as well as our approach to collaborating across the sector, including educating customers and engaging government and influencing across the industry.

STRATEGIC FOCUS AREAS

- Enhancing our resilience
- Our innovation
- Customer education
- Industry engagement
- Responding to climate-related risks and opportunities

2030 TARGET

- Achieve **50%** of the Group's revenue across the manufactured product portfolio from the Breedon Balance range

PROGRESS



Underpinned by



Breedon's fundamental operating principles underpin our pillars, ensuring our robust approach to operating our business responsibly and transparently. As we aim to align our activities with current climate science, it is important to us to have verified targets and the relevant certifications to support and validate our activities. We have policies in place to ensure we operate responsibly and transparently.

STRATEGIC FOCUS AREAS

- Health, safety and wellbeing
- Quality
- Ethics and integrity
- Stakeholder engagement
- Good governance

Sustainability Planet

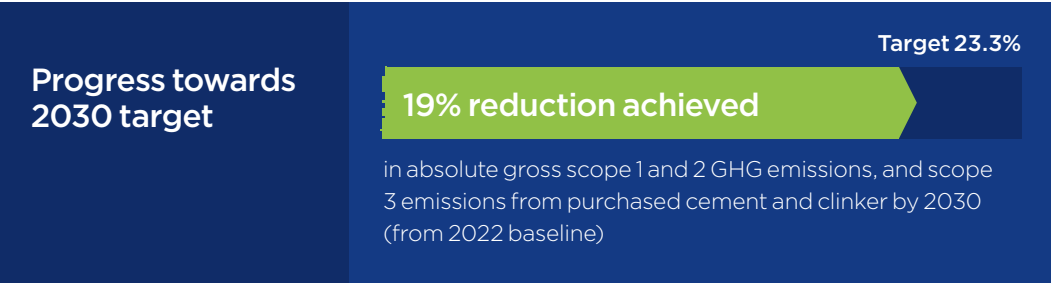


Making a material difference to the environment



Click or scan to find out more about the Planet pillar

We are committed to achieving net zero by 2050, managing resources responsibly and creating a positive impact on nature.



What we said

Progress in 2025

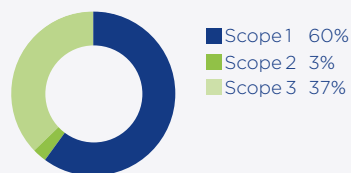
|                                                                                                         |                                                                                                                                          |
|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Roll-out of a new Group-wide ESG reporting and management tool                                          | Deployed the Enablon ESG Excellence platform across all operational sites                                                                |
| Produce a Climate Transition Plan                                                                       | Published our Climate Transition Plan in December 2025 following the TPT guidance                                                        |
| Roll-out of additional water meters to identify further water savings                                   | Installed 21 additional water meters to support water-efficiency improvements                                                            |
| Continue to progress the Peak Cluster CCS project at Hope Cement plant                                  | Continued to progress the Peak Cluster CCS project at Hope Cement plant, achieving several key milestones. Further detail on page 71     |
| Develop a nature-focused approach for consideration, alongside our existing net zero approach           | Advanced the development of a nature-focused approach, with further progress made towards TNFD-aligned disclosures                       |
| Continue implementation of our BAPs and maintain a strong focus on managing our estate for biodiversity | Continued to implement our existing BAPs, and began trialling drone and satellite technologies to improve the monitoring of biodiversity |
| Enhance data collection in line with the TNFDs core and sector-specific metrics                         | Further metrics have been added to our ESG data collection platform with additional enhancements due in 2026                             |

## Sustainability Planet

# Greenhouse Gas Management

We continue to make progress towards our near-term and net zero SBTi-validated targets. Breedon remains committed to achieving net zero carbon emissions across our entire value chain by 2050 aligned with the highest ambition of the Paris Agreement. Following the validation of our carbon-reduction targets by the SBTi in 2024, we continue to monitor our emissions and track progress against our targets.

## Breakdown of Group GHG sources



**Scope 1** – Direct emissions from operations where we have operational control

**Scope 2** – Indirect emissions from the generation of electricity we purchase

**Scope 3** – Other indirect emissions across our value chain

## GHG reduction targets

Our SBTi-aligned targets cover all three scopes of emissions and include commitments to:

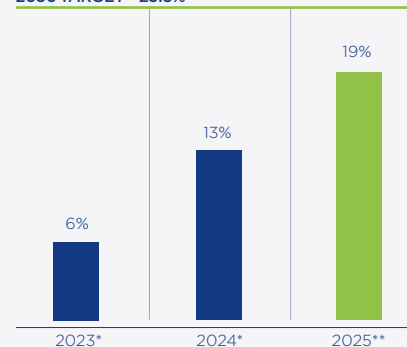
- Reach net zero greenhouse gas emissions across the value chain by 2050;
- Reduce absolute gross scope 1, 2 and 3 GHG emissions by 95% by 2050 from a 2022 base year; and
- Reduce absolute gross scope 1, 2 and scope 3 GHG emissions from purchased clinker and cement by 23.3% by 2030 from a 2022 base year.

Our SBTi targets include a re-baselining process that is applied when significant change thresholds are triggered, including following acquisitions. A review of the full year 2025 emissions from acquisitions completed in 2024 showed a greater than 5% change to the Group's total scope 1, 2 and 3 emissions, triggering a re-baseline for the purposes of our SBTi targets. New 2022 baseline values are shown in the table and roadmap on page 70. The percentage target reductions remain unaffected.

## SBTi target progress % reduction from 2022 baseline

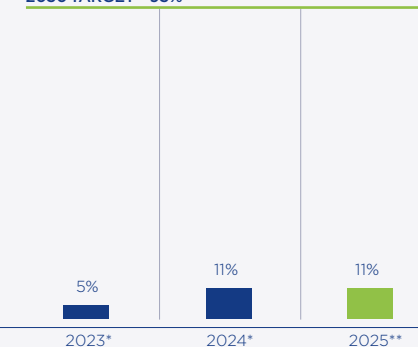
### Near-term target progress

2030 TARGET = 23.3%



### Net-zero target progress

2050 TARGET = 95%



\* Adjusted following re-baselining process.

\*\* Excludes emissions from acquisitions in 2025.

## Progress against SBTi targets

|                                                             | 2022 baseline*   | 2025 excl-acquisitions | 2025 acquisitions | 2025** % diff from baseline | 2030 target    | 2050 target  |
|-------------------------------------------------------------|------------------|------------------------|-------------------|-----------------------------|----------------|--------------|
| Scope 1 (tCO <sub>2</sub> e) (total)                        | 1,770,527        | 1,471,716              | 6,909             | (17)%                       |                | (95)%        |
| Scope 2 (tCO <sub>2</sub> e) location-based                 | 79,432           | 62,418                 | 983               | (21)%                       |                | (95)%        |
| Scope 3 (tCO <sub>2</sub> e) (purchased cement and clinker) | 415,895          | 292,451                | 0                 | (30)%                       |                | (95)%        |
| <b>Total for near-term target (tCO<sub>2</sub>e)</b>        | <b>2,265,854</b> | <b>1,826,585</b>       | <b>7,892</b>      | <b>(19)%</b>                | <b>(23.3)%</b> | <b>(95)%</b> |
| Total scope 1 and 2 (tCO <sub>2</sub> e)                    | 1,849,959        | 1,534,134              | 7,892             | (17)%                       |                | (95)%        |
| Total scope 3 (tCO <sub>2</sub> e)                          | 851,951          | 878,624                | 30,370            | 3%                          |                | (95)%        |
| <b>Total for long-term target (tCO<sub>2</sub>e)</b>        | <b>2,701,910</b> | <b>2,412,758</b>       | <b>38,262</b>     | <b>(11)%</b>                |                | <b>(95)%</b> |

\* Re-baselined figures. \*\* Difference shown is 2025 excluding acquisitions versus 2022 baseline.

## Sustainability Planet

We have made good progress towards achieving our near-term SBTi target. In 2025, our combined scope 1, 2 and 3 emissions (from purchased cement and clinker) fell by a further 7%, reflecting a 19% reduction against our baseline. This progress reflects the deployment of our core emissions-reduction levers, although reduced volumes during the year will have influenced absolute emissions.

Our roadmap represents our re-baselined 2022 emissions as described overleaf, in addition to the percentage contribution of each of the reduction levers from 2025 to reach our 2030 near-term target. An element of activity growth has been included to represent the increase in cement volumes back to baseline levels.

The reduction contributions to 2050 have not been represented here given the uncertainties in technological and regulatory changes.

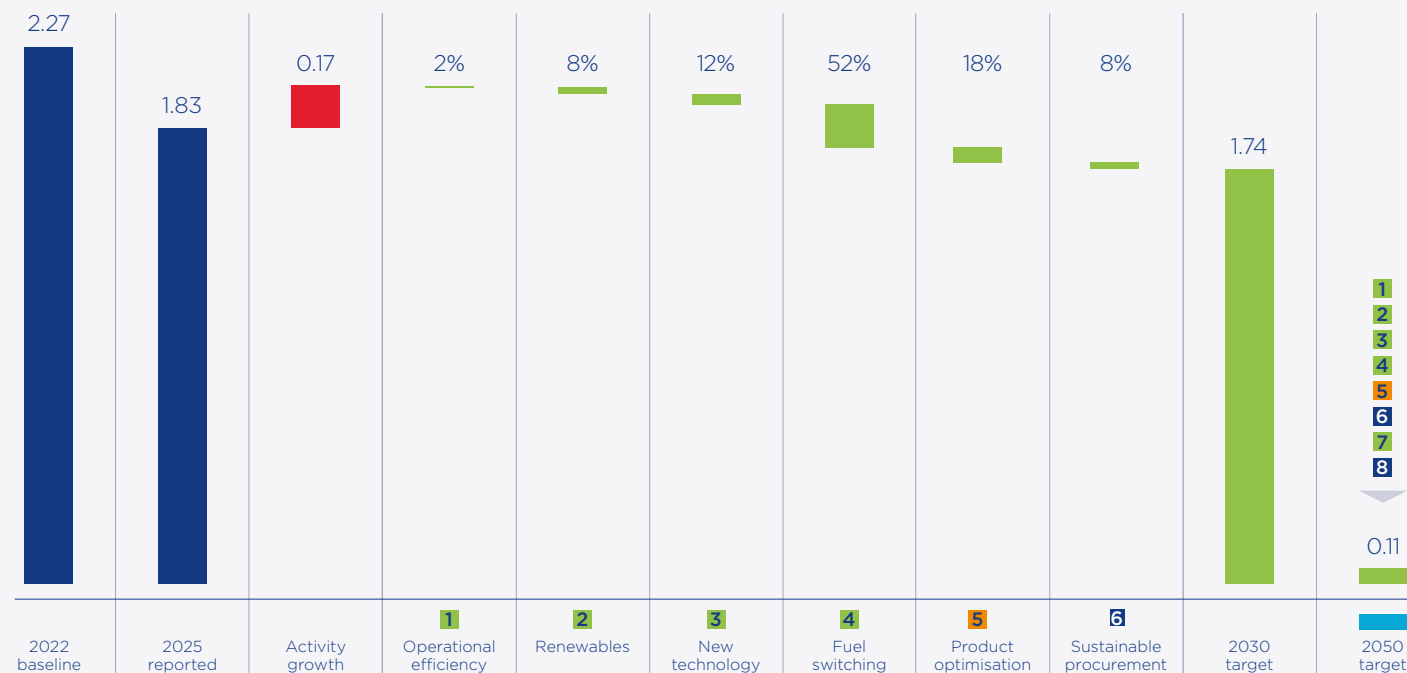
Our Carbon Delivery Group is developing country-specific net zero roadmaps that align regional decarbonisation initiatives with our strategic levers, ensuring that each region contributes measurably to our Group-wide net zero objectives.

## Roadmap to net zero

Scope 1, 2 emissions and scope 3 emissions from purchased cement and clinker only  
Mt CO<sub>2</sub>e



Click or scan to view full details of SBTi targets



## Decarbonisation levers explained

### 1 Operational efficiency »72

Ongoing improvements to ways of working to maximise the efficient use of resources

### 2 Renewables »72

On-site renewables and grid decarbonisation, focusing on using electricity from clean energy sources

### 3 New equipment and technology »72

Investing in new machinery that result in lower lifetime emissions or tools to allow us to identify opportunities for improvement

### 4 Fuel switching »71

Trialling and deployment of alternative fuels that result in lower emissions over their life cycle including biogenic fuels

### 5 Product optimisation »82

Reviewing our manufactured products to ensure that higher carbon constituents are designed out wherever possible while ensuring overall life cycle emissions are also reduced

### 6 Sustainable procurement »86

Working with our supply chain to ensure our scope 3 emissions are mitigated

### 7 Carbon capture and storage »71

Where other levers are not viable due to the inherent chemical process that produces the emissions, invest in projects to capture the carbon and store it permanently

### 8 Offsetting and insetting »86

In order to achieve our 2050 net zero target, once all the above levers have been enacted and emissions reduced by at least 95% (from the 2022 baseline), we will ensure that residual emissions are offset using high-quality carbon credits either purchased or generated internally from Breedon projects

## Sustainability Planet

### 2025 emission reduction highlights

#### 10% reduction

kgCO<sub>2</sub>e/£ revenue

Our absolute scope 1 and scope 2 emissions decreased by 5% compared with 2024. As part of this reduction is attributable to lower volumes during the period, we also monitor emissions intensity to account for changes in market activity.

The headline intensity metric we use is by £ revenue. Using our location-based emissions, the total the resultant emissions intensity is 0.9kgCO<sub>2</sub>e/£ revenue. This represents a reduction of 10% in comparison to 2024.

An alternative carbon intensity metric relates our emissions to the annual sales tonnages of our core products (cement, ready-mixed concrete, aggregates and asphalt). In 2025 this fell 7% from 40.0kgCO<sub>2</sub>e/tonne to 37.3kgCO<sub>2</sub>e/tonne.

We have achieved these reductions through a combination of improvements across our eight core decarbonisation levers. Details of our improvements are highlighted throughout the sustainability section of this report.

### Fuel switching

LEVER 4

We continue to make strong progress in substituting fossil fuels with waste-derived and biogenic alternatives. This is supported by a diverse range of established and emerging alternative-fuel streams. Developing new fuel sources requires close collaboration with suppliers, detailed testing to ensure consistency and quality, and regulatory support alongside kiln-based trials to ensure compliance with emissions limits.

Kinnegad Cement plant expanded its alternative-fuel capabilities through several upgrades, including the installation of a new system to handle animal-waste-derived meat and bone meal (MBM). The combined alternative fuel rate at our cement plants has increased to a new high of 53%.

We have continued to invest in our asphalt plants, particularly in burner upgrades traditionally reliant on oil-based fuels. In 2025, we completed burner replacements and upgrades at three further sites in GB. These sites can now use LPG, reducing emissions and providing operational benefits. The new dual-fuel burners are also designed to accommodate lower-carbon fuels such as rDME in the future.

53%

alternative fuels substitution rate



Our trial of hydrotreated vegetable oil (HVO) in 2024 returned positive results and as such, we have expanded its use to a second site in 2025. Leaton quarry utilised HVO for six months, resulting in a 40% reduction in the site's emissions.

### Carbon capture and storage

LEVER 7

The use of carbon capture technology within the cement sector continues to gather pace. The first full-scale capture plant is operational in Europe and work is underway on the UK's first plant. Breedon is progressing this technology through the Peak Cluster CCS project, which brings together other emitters across the cement and lime sector located in the Peak District, to capture and store over 40% of the UK cement and lime industrial CO<sub>2</sub> emissions by the early 2030s.

### Kinnegad alternative fuels

We have expanded alternative fuel capabilities at Kinnegad Cement plant, commissioning new systems for MBM, solid recovered fuel (SRF) and crumbed rubber. These upgrades support the journey toward 100% alternative fuel use.



Click or scan to find out more

Central to this effort is our Hope Cement plant, the largest in the UK. Recent key milestones for the project include:

- the formation of Peak Cluster Ltd: a joint venture between a number of investors: Breedon, Tarmac CRH, Holcim UK and SigmaRoc as well as Progressive Energy, Sumitomo Energy Evolution Ltd and the National Wealth Fund;
- securing £28.6m of equity investment from the National Wealth Fund;
- commencement of the FEED for the pipeline which will transport the CO<sub>2</sub> from the Peak District to the store; and
- development of the planning consent strategy for the project.

## Sustainability Planet

# Energy management

## Energy management systems

78% of our operational sites hold ISO 50001 energy management certification at the end of 2025. During the year we rolled out our new Group-wide ESG reporting tool which includes energy performance monitoring and tracking against targets. This investment into our sustainability reporting systems demonstrates our commitment to produce accurate and reliable performance data. Our dedicated Energy Delivery Group also includes representatives from all Breedon's platforms to share learnings and energy opportunities.

## Operational efficiency

LEVER 1

Operating our plant and equipment efficiently delivers both energy and carbon savings.

In 2025, Hope Cement plant installed the first of two new high-efficiency cement mill motors. Once both motors are commissioned, the upgrades will deliver a significant reduction in power consumption at the site.

## On-site renewables

LEVER 2

The 14MW ground-mounted solar farm at Kinnegad Cement plant was commissioned in June. Since commissioning, the 26,000 panel farm has generated 16% of the site's electricity needs and reduced scope 2 emissions by more than 1,500 tCO<sub>2</sub>e.

This project has significantly increased our on-site clean-energy generation capacity, with more than 5,000 MWh produced in 2025. Generation is projected to reach 10,000 MWh in 2026, supported by planned roof-mounted solar installations.

On occasion in 2025, the site operated entirely on solar electricity and 100% alternative kiln fuel substitution.



## New technologies

LEVER 3

We continue to invest in new technologies to improve the energy efficiency of our operations. In 2025, we completed a boiler-system upgrade at our bitumen terminals in Belfast and Dublin ports. The modernisation included energy-recovery systems, automated water-quality management, optimised combustion control and improved start-up and standby management. These upgrades will reduce fuel use, electricity consumption and chemical demand, while improving burner performance.

A further £15m of capital expenditure on replacement vehicles across the Group will provide incremental improvements to energy efficiency and carbon savings through newer, more efficient engines.

We have also invested in our asphalt plants in GB. Our Longwater asphalt plant has benefitted from a £3.5m investment to modernise the production process.

## Over 5,000 MWh

renewable energy generated on-site



## Asphalt plant upgrades

Breedon is reducing the carbon footprint of asphalt production by switching from fuel oil to LPG across selected plants, cutting emissions by around 10%.



Click or scan to find out more

## Sustainability Planet

# Responsible use of natural resources, positive impact on biodiversity

## Environmental management

Across the Group, 77% of our operational sites are externally certified to the ISO 14001 environmental management standard. Our Group Environment Policy reinforces our commitment to operating sustainably, using resources responsibly and, where possible, substituting primary resources with alternatives.

This commitment is demonstrated through the ARM project at Hope, commissioned in 2025. The project established a new benchmark in the use of alternative materials, including waste by-products from our Welsh Slate operations. Benefits include improved raw-material options, lower environmental emissions at the plant and reduced transport emissions through the shift from road to rail.

## Waste

We continue to focus on our ambition to send zero general waste to landfill; however, operational constraints have meant the goal to reach this by 2025 was not met. We achieved a 79% general waste diversion from landfill rate in 2025 an increase from 76% in 2024.

We are making progress across several areas of waste avoidance, re-use of production by-products and recycling of wastes otherwise landfilled. We introduced a dedicated circular economy manager in GB and made a number of improvements at our Kinnegad Cement plant. These were led by the site's Green Lean Team and included improvements to segregation and storage and the ban of single-use plastics from site.

## Air quality

Our sites operate under environmental permits that set emissions limits and require the use of best available techniques to mitigate environmental impacts.

Our cement plants carry the most stringent permit conditions due to the chemical characteristics of raw materials and the complexity of the production process. Emissions of sulphur dioxide, nitrogen oxides and dust are closely monitored. At Hope Cement plant, the adoption of lower-sulphur raw materials is already reducing sulphur-dioxide emissions significantly.

## Water

Water management plans have been developed for all of our quarry sites in GB. These plans provide greater understanding of water flows and identify opportunities for improvement. Our roll-out of automated water meters continues with a further 21 loggers installed in 2025. The data from these meters has highlighted several sites with abnormal water use, and allowed us to take corrective action.

The dependence on water availability to our operations was highlighted further during the initial phases of the TNFD process. Ensuring responsible use of this resource is critical, and forms a key part of the work of the Natural Resources Delivery Group. In 2025, 27 sites were located in areas of water stress, these sites accounted for 1% of our total water withdrawals.



### Water loggers

Breedon's roll-out of smart water meters continues to deliver meaningful results. Automated monitoring at Naunton quarry identified a previously undetected underground leak that traditional checks had missed, enabling rapid intervention, reducing water waste and supporting more efficient, sustainable water management across the business.



Click or scan to find out more

**>5,000m<sup>3</sup>**  
avoided water loss

## Sustainability Planet

### Nature and biodiversity

We aim to protect and enhance biodiversity across all our operational sites through the development and implementation of well-designed biodiversity-management and restoration plans. Across the Group, 43 Biodiversity Action Plans (BAPs) are in place, and planned actions are progressing.



#### Biodiversity Week

Our 2025 Biodiversity Week was our largest and most impactful to date. The company-wide initiative was built around five themes: Wildlife, Environment, Education, Community and Doing Our Bit. It was supported by more than 1,000 participants, including internal sustainability teams, site managers and external partners such as wildlife trusts, ecologists, councils and community organisations.



Click or scan to find out more

Following on from the work started in 2024 to understand our impacts and dependencies in and on the natural environment based on the TNFD guidance, we have moved onto the next stage of the LEAP approach.

In partnership with external consultants, we have followed the ACT-D approach to assess and embed nature considerations more fully into the business.

**Assess** – We have reviewed how nature interacts with the Group's business model to ensure our actions and targets focus on the most material areas. This assessment considered our impacts and dependencies across both operations and value chain, along with the risks and opportunities that may affect our activities.

**Commit** – Building on insights from the Assess stage, and reflecting areas where we already demonstrate strong practice, we have defined a clear ambition statement and identified targets to guide our nature strategy and deliver meaningful impact.

**Transform** – We are developing the actions required to strengthen our relationship with nature and achieve the targets set at the Commit stage. This includes creating and embedding a phased roadmap with key milestones, timelines and defined stakeholder responsibilities to ensure effective delivery.

**Disclose** – Report throughout the journey.

## Nature 2025 highlights

### Mullaglass restoration

Our former quarry in Northern Ireland received recognition for excellence at the Aggregates Europe Sustainable Development Awards for the restoration work undertaken on-site.



### Holme Hall biodiversity walk

Colleagues at Holme Hall quarry created a Biodiversity Walk along a meandering stream, designed to offer moments of calm and connection with nature. Picnic table areas along the route to encourage visitors to pause and enjoy the surroundings.

42

environmental  
volunteering events

### Hadfields nature reserve

A flagship biodiversity project at Hope Cement plant, supporting nature and strengthening community engagement.



### Blackmountain new pond construction

As part of Breedon's biodiversity-enhancement work, the Belfast Hills Action Plan identified three locations for new ponds. Through the Journey to 30x30 scheme, the final pond was constructed at Blackmountain quarry to support local newt populations and wider wildlife.



### Kinnegad biodiversity hub

Following the formation of the biodiversity team at Kinnegad Cement plant, the team continue to make improvements across the site. These included the fit-out of their biodiversity hub, a biodiversity information panel on the dedicated wellness track and further planting of trees and wildflowers in addition to new birdfeeders and nest boxes on-site.



22,550

trees planted



Click or scan to  
find out more

## Sustainability Planet

### Planet performance data table

|                                                                                     | 2021   | 2022   | 2023  | 2024   | 2025          | YOY change |
|-------------------------------------------------------------------------------------|--------|--------|-------|--------|---------------|------------|
| <b>Total scope 1 emissions*</b><br>ktCO <sub>2</sub> e                              | 1,829  | 1,749  | 1,616 | 1,551  | <b>1,479</b>  | (5)%       |
| <b>Total scope 2 emissions (location)*</b><br>ktCO <sub>2</sub> e                   | 87     | 74     | 78    | 74     | <b>63</b>     | (15)%      |
| <b>Total scope 2 emissions (market)*</b><br>ktCO <sub>2</sub> e                     | 0      | 2      | 1     | 2      | <b>7</b>      | 250%       |
| <b>Total scope 3 emissions*</b><br>ktCO <sub>2</sub> e                              | –      | 696    | 693   | 789    | <b>909</b>    | 15%        |
| <b>Emissions intensity*</b><br>Revenue kgCO <sub>2</sub> e/£                        | 1.6    | 1.3    | 1.1   | 1.0    | <b>0.9</b>    | (10)%      |
| <b>Emissions intensity by core products*</b><br>kgCO <sub>2</sub> e/t core products | 44.2   | 46.3   | 43.9  | 40.0   | <b>37.3</b>   | (7)%       |
| <b>Energy Intensity by core products</b><br>kWh/tonne                               | 68.3   | 71.7   | 70.5  | 65.9   | <b>62.8</b>   | (5)%       |
| <b>Alternative fuels substitution rate</b><br>% of kiln fuel GJ                     | 46.1%  | 48.5%  | 48.0% | 48.1%  | <b>53.2%</b>  | 5.1ppt     |
| <b>Biofuel used</b><br>% of kiln fuel GJ                                            | 19.5%  | 21.1%  | 18.4% | 18.2%  | <b>22.2%</b>  | 4ppt       |
| <b>Mains water</b><br>litres/tonne                                                  | 14.5   | 13.7   | 16.5  | 14.6   | <b>15.2</b>   | 4%         |
| <b>Total non-production waste generated</b><br>tonnes                               | –      | –      | 6,140 | 4,189  | <b>5,490</b>  | 31%        |
| <b>Trees planted</b><br>number                                                      | 24,800 | 31,300 | 7,400 | 13,400 | <b>22,550</b> | 68%        |
| <b>Hectares restored</b><br>ha                                                      | –      | –      | 3     | 12     | <b>15</b>     | 25%        |

\* Unadjusted emissions from Breedon activities operational in year.



Click or scan to view more Planet performance data

### Future focus

To build on our successes in 2025, our priorities for the year ahead include:

- creation of carbon reduction roadmaps for each of our operating divisions;
- focusing further on reducing scope 3 emissions;
- continuing to progress the Peak Cluster CCS project at Hope Cement plant;
- rolling out additional water meters to identify further water-efficiency opportunities; and
- finalising, implementing and communicating our nature strategy.

Sustainability People



Making a material difference to society



Click or scan to find out more about the People pillar

Our 4,800 colleagues are at the heart of our business. Alongside our focus on attracting talent and developing and empowering our workforce, we also aim to be a good neighbour and to create a positive impact in the communities in which we operate.



What we said

Progress in 2025

|                                                                                                                       |                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Increase colleague awareness, knowledge and engagement through improved communication                                 | Strengthened internal communications by introducing dedicated business partners to maintain clear, consistent messaging aligned to our priorities                                                    |
| Finalise a mental-health framework in partnership with colleagues and external organisations                          | Expanded wellbeing support, delivering tailored Mental Health First Aid training through the Lighthouse Charity, enhanced EAP services via Latus and providing critical-incident support when needed |
| Grow our early-careers pipeline                                                                                       | Welcomed 56 new apprentices, one of our largest intakes further strengthening our early-careers pipeline                                                                                             |
| Strengthen and embed performance-management conversations                                                             | Trained 294 managers through our Management Essentials programme across all three divisions, enhancing confidence and capability in performance leadership                                           |
| Implement a new Group-wide ESG reporting and management tool and establish a new system for quantifying social impact | Adopted Thrive's Impact Evaluation Standard and began capturing Group-wide social value activity through our new ESG platform, Enablon                                                               |
| Embed our new social value methodology                                                                                | Embedded social value KPIs within our performance framework, supported by published guidance                                                                                                         |
| Develop a compelling and inclusive benefits offering and launch a flexible benefits platform                          | Launched the Thanks Ben benefits platform in GB and Ireland, offering colleagues and their families flexible access to wellbeing support, Perks at Work and Digital GP services                      |

## Sustainability People

# Developing and empowering a diverse, talented workforce

## Colleague engagement

Our colleagues are at the heart of everything we do, and our latest engagement survey reflects this. With a strong Group engagement score of 77% – above the industry benchmark – our efforts to support, develop and empower our people are having a clear impact.

We prioritise open communication across the Group through regular team updates, monthly updates from our country chief executives, and leadership conferences, ensuring colleagues remain well-informed and connected to our priorities.

We were pleased to be recognised as a Group within the top 100 on the Financial Times Europe's Best Employers list and, for the third consecutive year, in the Sunday Independent's Ireland's Best Employers 2025 list, where we placed seventh in the construction category.

## Core values

Our culture is built on four core values. During the year, as part of our integration, we've focused on bringing them to life, particularly through collaboration with

our colleagues in the US. Together, we have explored how these values shape our behaviour, guide our decisions, and influence how we work with one another every day. This ongoing focus reinforces a shared understanding of who we are, what we stand for, and how we contribute to a positive, aligned workplace culture.

## Colleague support and wellbeing

Health, safety and wellbeing remains our top priority. We continue to work with partners such as Elephant in the Room and the Lighthouse Construction Industry Charity, whose Make It Visible team has delivered impactful mental health sessions across GB and Ireland.

Each year we offer one day of paid volunteering leave and match colleague fundraising up to £/€/US\$200 per person.

Our benefits platform, Thanks Ben, now serves colleagues across GB and Ireland, while our new Digital GP service provides fast online access to healthcare professionals.



## Investment in early careers

Developing future talent remains central to our people strategy. We support students, school leavers, and those seeking a fresh start, while creating opportunities that bring fresh ideas and new perspectives into the business. In 2025, we welcomed 56 new apprentices (14% female), along with two industry placements in Northern Ireland. Their fresh ideas and energy continue to help shape the future of our sector.

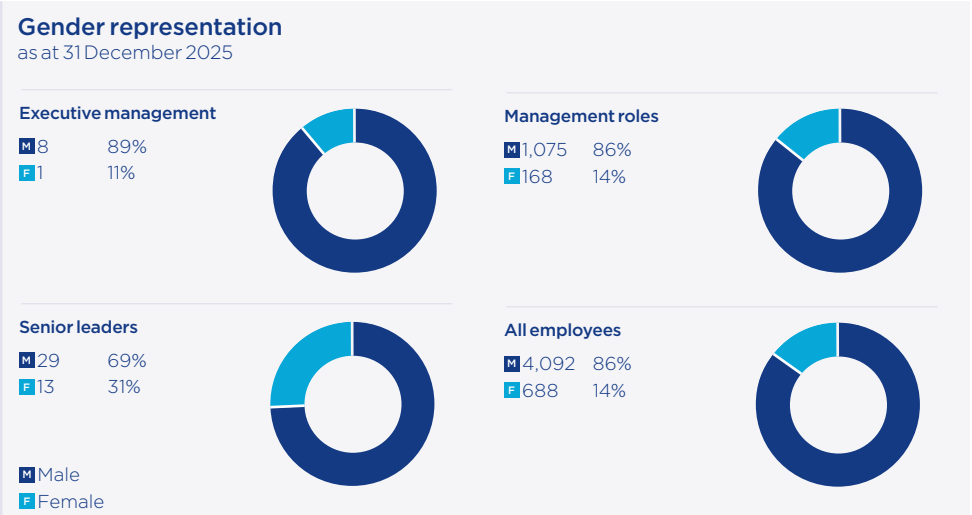
## 2025 highlights

- Retained Silver membership of The 5% Club reflecting our ongoing commitment to earn and learn opportunities across the UK.
- Apprentice Luke Howells named Civil Engineering Apprentice of the Year at GCS Training (Gower College Swansea).
- Won the Education Award at the 2025 Mineral Matters Awards for teacher-engagement events held at our Telford and Derbyshire sites. These events enable teachers to meet apprentices and gain first-hand insight into the wide range of career pathways within the minerals sector.

56

new apprentices

Sustainability People



Skilled and diverse workforce

Our colleagues’ expertise and unique perspectives drive improvement and innovation. We are committed to an inclusive workplace where everyone feels respected, supported, and empowered.

Our multi-generational team brings a variety of views on communication, leadership, work–life balance, and technology. We support their growth through training, listening sessions, and reverse mentoring, creating opportunities to share experiences and learn from one another. By combining knowledge in this way, we strengthen teamwork and ensure every voice counts.

These ongoing conversations help us understand how to best support our people, leverage generational diversity to enhance innovation, improve decision-making, and build a culture where everyone contributes.

Leadership development

We continue to embed our Management Essentials Level One training and will implement Level Two in 2026.

Our partnership with Cranfield Business School has supported several senior managers in completing leadership development programmes, supporting career progression and succession planning across the Group.



Developing leaders across the US through Management Essentials Level One training

As part of our commitment to developing strong and confident leaders across the Group, we expanded our Management Essentials Level One training to the US in 2025. This initiative supports the integration of our US businesses and ensures a consistent approach to people leadership across all regions.



Click or scan to find out more

294  
managers trained

## Sustainability People

### Social value – investing in our communities

Being a socially and economically responsible business is a core component of Breedon's strategy to ensure the long-term sustainability of our organisation. Alongside our environmental commitments, we prioritise engaging with and investing in local communities, creating a positive legacy that aligns with both our current and future commercial ambitions.

In 2025, we introduced a transparent methodology for measuring our social impact, using financial proxies aligned to Thrive's Impact Evaluation Standard. This marked a significant step forward in how we understand, quantify and report the value we create for society. We committed to delivering £500m of social value between 2025 and 2030 and launched a three-year social value strategy to guide our approach.

During 2025, our first year of delivery, we focused on establishing a strong foundation on which to build and more effectively target our social-impact initiatives. By adopting an external framework, we can better understand our contributions, plan strategically for the future and align community investment with key business priorities. This approach helps ensure that our social impact activities deliver meaningful and lasting outcomes for both local communities and Breedon.

## Social impact highlights 2025



### Investing in community assets

Strengthened the communities in which we operate by investing in sports and recreation facilities, renewable-energy projects and community infrastructure.

### Build my future

Worked with schools across Missouri to showcase the range of careers available in our sector.

### Tackling food poverty

Supported local foodbanks and initiatives focused on reducing food insecurity in our communities.

### Supporting digital inclusion

Donated 120 laptops and 69 screens to digital-inclusion projects in Derbyshire, Oxfordshire and the Highland Council area.



### Road Safety Week

Raised awareness of road safety across our sites and communities as part of Brake's national campaign in November.



### Give Back December

Delivered 758 volunteer hours and over £96,000 in donations throughout December to support local community organisations.



### Edlington pedestrian crossing

Fully funded a new pedestrian crossing outside Hill Top Academy and Community Centre in Edlington, Doncaster, creating a safe route for children and vulnerable adults.



Click or scan to find out more

Sustainability People

### Our social value totals

Our social value is measured across five core pillars: employment and education, community investment, colleague investment, environment, and sustainable procurement. Volunteering and donations sit at the heart of our approach to community investment, enabling our colleagues and resources to make a material difference in the communities where we operate.

In 2025, Breedon colleagues delivered 6,762 volunteer hours, representing an increase of more than 200% compared with 2024.

This growth was supported by targeted campaigns such as Biodiversity Week and the inaugural Give Back December initiative.

Alongside volunteering, we made more than £815,000 in community donations during the year, including the value of materials donated. We also introduced several re-use initiatives, providing in-kind donations such as laptops, winter clothing and furniture to local community organisations, further extending our positive impact.

Our volunteering hours and community donations have been externally assured alongside our social value total.

£134.5m

In total we generated £134.5m of added social and local economic value through our strategic focus areas in 2025.

|                                                                                                                                                             |                                                                                                                                                                                                                                                                 |                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Employment and education</b><br><b>85</b><br>schools supported<br><b>1,096</b><br>days of work experience<br><b>928</b><br>hours of educational outreach | <b>Community investment</b><br><b>1,050</b><br>hours of community engagement<br><b>2,505</b><br>tonnes of materials donated<br><b>£153,000</b><br>provided to grassroots sports clubs<br><br><b>Colleague investment</b><br><b>12,232</b><br>CPD training hours | <b>Environment</b><br><b>701</b><br>hours of environmental volunteering<br><br><b>Sustainable procurement</b><br><b>635</b><br>hours of modern slavery training |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|

### People performance data table

|                                               | 2021   | 2022   | 2023   | 2024   | 2025   | YOY change |
|-----------------------------------------------|--------|--------|--------|--------|--------|------------|
| Proportion of women in workforce              | 13.4%  | 13.5%  | 14.6%  | 15.1%  | 14.4%  | (0.7)ppt   |
| Employee turnover rate                        | 11.8%  | 12.6%  | 10.6%  | 11.5%  | 12.0%  | 0.5ppt     |
| Employee training hours                       | 13,651 | 21,919 | 22,697 | 23,095 | 27,971 | 21%        |
| Social value generated (£m)                   | -      | -      | -      | -      | 134.5  | -          |
| Community/charitable financial donations (£k) | 155    | 318    | 455    | 604    | 677    | 12%        |
| Community/charitable material donations (t)   | 513    | 669    | 3,273  | 1,555  | 2,505  | 61%        |
| Total hours volunteering                      |        |        | 2,114  | 2,155  | 6,762  | 214%       |
| Neighbour complaints                          | 45     | 29     | 26     | 15     | 17     | 13%        |



Click or scan to view more People performance data

### Future focus

- To build on our successes in 2025, our priorities for the year ahead include:
- engagement on the Breedon Women’s Network;
  - introducing a reverse-mentoring programme to strengthen insight and connection across all levels;
  - developing leadership competencies and further embedding our Management Competency Framework;
  - rolling out Management Essentials Level Two training to enhance management capability;
  - launching new development programmes to support succession planning and long-term organisational resilience;
  - strengthening our volunteer programme to enable colleagues to better support local communities and charitable organisations;
  - developing a more structured and targeted approach to community investment, ensuring that charitable donations are directed to areas of greatest need and aligned with our values; and
  - increasing the breadth of social value metrics we measure and report, enabling a more comprehensive understanding of our impact.

Sustainability Places



Making a material difference to the built environment



Click or scan to find out more about the Places pillar

Our products play an important role in shaping the places and spaces around us. With growing demand for more sustainable construction, we recognise our responsibility to provide innovative, lower-carbon and more sustainable solutions for our customers. We continue to deliver this through our focus on research and development, innovation and collaboration.



What we said

Progress in 2025

|                                                                                                           |                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Further establish our Breedon Balance range and continue progress towards our 2030 target                 | 39% of the Group's revenue across the manufactured products portfolio is from the Breedon Balance range                                                                       |
| Continue investing in production capabilities that support more sustainable processes and materials       | Continued investment in production capabilities including the ARM project at Hope Cement plant commissioned in 2025, and in asphalt plants in GB to further expand use of RAP |
| Grow our innovation pipeline and embed governance to drive delivery                                       | Activated a dedicated Sustainable Products Delivery Group, which met regularly to share insights and accelerate product innovation                                            |
| Invest in research and development                                                                        | Continued investment with value chain partners to develop lower carbon products                                                                                               |
| Continue to expand our Environmental Product Declarations (EPD) offering to a wider range of our products | Completed life cycle assessments (LCA) for asphalt product ranges, with new EPDs planned for release in 2026                                                                  |

## Sustainability Places

# Our focus on sustainable development

## Sustainable products

**LEVER 5**

Our focus is on making our products and services increasingly sustainable. By 2030, our goal is for 50% of our revenue from concrete, asphalt, blocks, tiles and brick product sales to come from products that meet our Breedon Balance criteria.

We have increased our proportion of revenue from asphalt and concrete Balance products in 2025, and will be looking to include our other manufactured products into the range in 2026.

Examples of our progress in 2025 include:

- appointment of a dedicated circular economy manager in GB, increasing focus on use of recycled material;
- increased sales of warm-mix asphalt in Ireland by more than 50%;
- increased proportion of GB concrete mixes sold using CEM II to 41% (2024: 20%); and
- delivering more than 150,000 cubic yards of CarbonCure™ concrete in the US.

## Life cycle assessments

In 2025, our Ireland asphalt business completed detailed LCA reports for 358 asphalt mixes. We have now engaged an independent verifier, with the aim of ensuring all asphalt mixes have completed LCAs, and for products requiring EPDs, to have verified declarations in place.

## Research, development and innovation

Our innovation and technical teams across the Group have been collaborating with value chain partners to develop lower-carbon products while maintaining product performance.

Trials of alternative materials for use in asphalt mixes that deliver lower life cycle emissions have shown positive results. The development of admixtures for concrete products which allow high cement replacement without compromising early strength gains has also been successfully trialled.

**41%**

ready-mix concrete sold in GB containing CEM II



### Ireland surface course trial with 15% RAP

A collaborative trial between Breedon Ireland and JONS Civil Engineering tested the feasibility of incorporating 15% RAP into a warm-mix Stone Mastic Asphalt surface course on the M4 motorway. Laboratory and on-site assessments demonstrated strong technical performance and carbon savings of more than 9kgCO<sub>2</sub>/tonne compared with the warm-mix control and approximately 11kg/tonne compared with a conventional hot-mix surface.



 Click or scan to find out more

Sustainability Places

Collaboration and influence

Breedon collaborates with industry peers through membership of the MPA and the GCCA. We are active participants in several working groups that share learnings and best practice across the sector. These collaborations enable us to contribute to consultations on proposed regulatory changes and sustainability initiatives, including revisions to the SBTi Corporate Standard and the GHG Protocol.

We have extended our engagement with the Institute of Sustainability and Environmental Professionals through our Corporate membership. Two Breedon colleagues have progressed to full members in 2025, with many others participating in knowledge sharing and networking events.

We continue to engage with members of our value chain through the Supply Chain Sustainability School, and EcoVadis supplier evaluation tools. By engaging with these platforms we demonstrate Breedon's commitment to being the sustainable supplier of choice.

GB retained its PAS 2080 carbon management certification, which reflects our commitment to collaboration as a core pillar of whole-life-carbon-reduction across the built-environment value chain.

Across the Group, our technical and commercial teams work closely with customers on a daily basis to co-develop practical, low-carbon solutions that address complex real-world construction challenges and support more sustainable project outcomes.

Future focus

To build on our successes in 2025, our priorities for the year ahead include:

- creating LCAs for all GB quarry sites;
- completing asphalt LCAs for all mixes in Ireland and EPDs in place for those products which are required;
- continuing to increase the use of RAP in asphalt mixes;
- launching new, lower carbon concrete, asphalt and aggregate materials; and
- increasing our engagement with industry partners and academia on research and development projects.

Places performance data table

|                                                                                                                        | 2021 | 2022 | 2023 | 2024 | 2025 | YOY change |
|------------------------------------------------------------------------------------------------------------------------|------|------|------|------|------|------------|
| <b>Breedon Balance sales revenue</b>                                                                                   |      |      |      |      |      |            |
| % of total manufactured products revenue                                                                               | -    | -    | -    | -    | 39%  | -          |
| <b>% revenue from products holding an EPD</b>                                                                          | -    | -    | -    | 18%  | 17%  | (1)ppt     |
| <b>% revenue from products that qualify for credits in sustainable building design and construction certifications</b> | -    | -    | -    | 70%  | 81%  | 11ppt      |



Click or scan to view more Places performance data

Sustainability Principles

# Principles

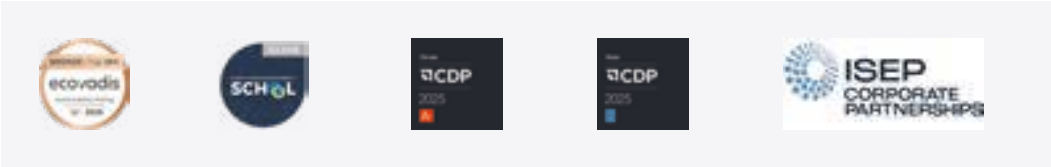
Ensuring that we operate responsibly and transparently



Click or scan to find out more about the Principles pillar

Underpinning our Planet, People and Places pillars, our fundamental operating principles guide how we operate responsibly across the business. These principles reflect our ongoing commitment to health and safety, quality, ethics and integrity, governance and stakeholder engagement.

| What we said                                                                                                                                          | Progress in 2025                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Evaluate the materiality of our focus areas and preparation for relevant emerging reporting requirements                                              | Paused our double materiality assessment to allow emerging regulations – such as the evolving CSRD Omnibus updates – to settle, and will resume the exercise in 2026                                                                            |
| Implement enabling systems and embedding Significant Risk Elimination thinking across the Group to improve our health and safety data and performance | Enablon system rolled out across GB and Ireland to improve reporting and management. Continued proactive focus on improving health and safety outcomes on Five Alive Rules, Significant Risk Elimination, and a Slips, Trips and Falls campaign |
| Ensure all high-risk suppliers are registered within the Avetta pre-qualification system                                                              | Over 1,000 strategic and high-risk suppliers registered on Avetta. In addition, a new AI-based supplier audit tool was trialled in 2025 and will be developed further in 2026                                                                   |
| Conduct a further 34 supplier audits                                                                                                                  | Conducted a further 35 supplier audits                                                                                                                                                                                                          |



## Sustainability Principles

# Keeping our people safe and well

## Home Safe and Well

In 2025, Breedon strengthened its approach to health and safety by improving leadership engagement and the management of critical risks at the point of work. The year marked a shift from activity-led improvement to more disciplined and consistent management of critical risks at point of work, supported by stronger leadership engagement, improved assurance and clearer expectations across all operational platforms.

A new Group Health and Safety Strategy, Group Standard, and Incident Classification Framework were finalised, establishing consistent definitions across the Group and strengthening governance to support more effective and comparable risk management across all jurisdictions.

Leadership capability in health and safety was enhanced through senior appointments across the Group, GB and Ireland to support delivery of the strategy and accelerate progress into 2026.

## Safety performance

Ensuring our colleagues go Home Safe and Well each day remains our highest priority. To ensure our safety performance continually improves we also report and learn from near misses, or 'high potential' incidents, which fell by over 30% in 2025. While the lost time injury frequency rate was broadly flat in 2025 at 3.4 per million hours worked (2024: 3.3), lost time injuries were generally of a minor nature.

Recurring risk themes included slips, trips and falls, people-plant interactions, vehicle movements and contractor management. These risks remain central to the Group's Significant Risk Elimination programme and continue to inform targeted interventions and learning.

## Leading indicators

Proactive safety activity increased substantially in 2025, supported by higher levels of safety observations, task audits and Visible Felt Leadership visits. Action-management performance also strengthened, with a high proportion of actions closed on time and no outstanding high-priority actions at year-end.



Our new health and safety software platform, Enablon, was fully deployed in GB and Ireland in 2025, providing consistent incident reporting, assurance and performance insight. Deployment in the US will complete in early 2026, enabling improved visibility and benchmarking.

## Health and safety initiatives

Breedon continued to embed the Five Alive Rules and Significant Risk Elimination philosophy, maintaining a strong focus on critical behaviours and high-risk tasks.

In September 2025, the Group delivered a company-wide Slips, Trips and Falls (STF) prevention campaign in response to STFs being the leading cause of lost-time injuries. In 2025 STFs accounted for approximately 16% of all injuries, 39% of LTIs and nearly half of all injury days lost. The campaign, centred on awareness, site standards, safe behaviours

and local ownership, was shortlisted for an MPA Safety Award, with results expected in June 2026.

Building on the success of the 2025 STF campaign, Breedon will launch a Group-wide musculoskeletal-injury prevention campaign in 2026.

In preparation for this campaign, we are a principal sponsor of a sector-wide research project assessing the impact of repetitive manual activities, the potential long-term musculoskeletal impacts, and practical recommendations to reduce and eliminate future risks.

Through disciplined execution, strong leadership and a continued focus on the risks that matter most, Breedon remains committed to creating safer, healthier workplaces for all employees and contractors.

Sustainability Principles

Ethics and integrity

We aim to operate compliantly, maintaining high ethical standards and conducting business with honesty and integrity. In 2025, we invested significant time in reviewing and refreshing key compliance policies and procedures, including updates to our Code of Conduct, which sets out clear expectations for all colleagues.

We also developed new, tailored core legal compliance training to better reflect the environments in which we operate and expanded access to our learning platform and compliance resources for colleagues in the US.

Responsible procurement LEVER 6

In 2025, we continued to strengthen our approach to responsible sourcing and procurement. We introduced new standards and expectations within our Human Rights Policy, complementing our existing Sustainable Procurement Policy and Supplier Code of Conduct.

Highlights in 2025 included:

- increasing the number of supplier audits conducted across our supply chain;

- creating an accessible overview of our Supplier Code of Conduct to reinforce expectations with suppliers; and
- developing and deploying an AI-based supplier-audit tool, enabling greater supplier engagement and improvement.

By collaborating closely with suppliers, we strengthen relationships and drive continuous improvement, supporting mutual growth. This proactive approach highlights our commitment to responsible sourcing and ethical procurement.

Carbon offsets LEVER 8

Our net zero plan includes a commitment to offset any residual emissions in our target year using high-quality carbon offsets. We are developing an offset and inset strategy to determine the approach we will take and when to acquire or generate the credits required in 2050.

Governance

We take a structured approach to governing our sustainability priorities, ensuring clear oversight, effective risk management and strong compliance. This is detailed on pages 64 and 65 and the Corporate Governance section on page 103.

Principles performance data table

|                                                                               | 2021 | 2022 | 2023  | 2024  | 2025         | YOY change |
|-------------------------------------------------------------------------------|------|------|-------|-------|--------------|------------|
| <b>Combined LTIFR (employees and contractors)</b><br>per million hours worked | 3.1  | 3.1  | 3.5   | 3.3   | <b>3.4</b>   | 3%         |
| <b>Combined TIFR (employees and contractors)</b><br>per million hours worked  | 19.8 | 17.2 | 17.0  | 17.7  | <b>18.5</b>  | 5%         |
| <b>CDP score – Climate Change</b>                                             | –    | –    | B     | A–    | <b>A–</b>    | –          |
| <b>CDP score – Water Security</b>                                             | –    | –    | C     | B–    | <b>B</b>     | –          |
| <b>Number of hours employees compliance training</b>                          | –    | –    | 7,356 | 5,746 | <b>4,679</b> | (19)%      |
| <b>Supply chain audits completed</b>                                          | –    | –    | –     | 14    | <b>35</b>    | 150%       |



Click or scan to view more Principles performance data

Future focus

In addition to our existing targets and strategies, our focus going forward will be on:

- embedding the new Group Health and Safety Strategy, Group Standard and Incident Classification Framework, and improving critical-risk controls at the point of work;
- progressing the roll-out of Enablon in the US;
- strengthening contractor risk management and assurance, supported by better data and insight;
- raising health and safety performance standards across the Group, with additional focus on the US as the newest platform;
- delivering in-person core legal compliance training to continue embedding a consistent compliance culture across all jurisdictions;
- maintaining supplier-audit activity and identifying opportunities to strengthen the audit process; and
- undertaking a double materiality assessment.

## Sustainability appendix SECR

### SECR statement

The following section sets out Breedon Group plc's annual energy consumption, associated GHG and other required information, in accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Our GHG emissions have been calculated using the GHG Protocol Corporate Accounting and Reporting Standard. We apply an operational-control boundary and use UK Government GHG Conversion Factors for Company Reporting (2025), supplemented with International Energy Agency emission factors for non-UK sites where relevant. For sites operating within the UK and EU Emissions Trading Schemes, ETS-verified emissions data for kiln fuels has been used.

Our GHG emissions are reported in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e), for the period 1 January to 31 December 2025.

We report our location-based and market-based emissions separately as per previous years, to reflect the Group's choice of electricity supply.

For baselining and ongoing comparison, we report our emissions using an intensity metric based on £ revenue. Using our location-based emissions total, the resulting

emissions intensity is 0.9kgCO<sub>2</sub>e/£ revenue. This represents a 10% reduction compared with 2024.

Details of the energy-efficiency actions undertaken during the period are provided on page 72.

Our scope 3 emissions are calculated in line with the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard, and with the requirements of the SBTi Corporate Manual. We report on 12 scope 3 categories; categories not listed have been assessed as not relevant to our business.

GHG data is monitored internally throughout the year through the Executive Committee, the Sustainability Committee and regular Board updates. Bureau Veritas provides external assurance over our scope 1 and scope 2 emissions, as well as scope 3 Category 1 emissions (from purchased cement and clinker only) and Category 3 emissions.

Bureau Veritas's assurance process is carried out in line with the requirements of the International Standard on Assurance Engagements ISAE 3000.



➤ Click or scan to view the full Limited Assurance Statement

### Breakdown of scope 1 and scope 2 emissions

|                                                | United Kingdom   | Rest of the World | 2025 Group total | 2024             | % change      |
|------------------------------------------------|------------------|-------------------|------------------|------------------|---------------|
| On-site combustion (MWh)                       | 1,594,385        | 688,812           | 2,283,197        | 2,352,729        | (3.0)%        |
| Electricity (MWh)                              | 237,794          | 77,924            | 315,718          | 324,120          | (2.6)%        |
| Road transport (MWh)                           | 70,379           | 53,681            | 124,060          | 109,554          | 13.2%         |
| <b>Energy (MWh)</b>                            | <b>1,902,558</b> | <b>820,417</b>    | <b>2,722,975</b> | <b>2,786,403</b> | <b>(2.3)%</b> |
| Scope 1 process emissions (tCO <sub>2</sub> e) | 600,690          | 271,572           | 872,262          | 923,957          | (5.6)%        |
| Scope 1 (non-process) (tCO <sub>2</sub> e)     | 446,347          | 160,016           | 606,363          | 627,575          | (3.4)%        |
| Scope 2 (tCO <sub>2</sub> e) location-based    | 41,967           | 21,434            | 63,401           | 73,969           | (14.3)%       |
| <b>Total (tCO<sub>2</sub>e) location-based</b> | <b>1,089,004</b> | <b>453,022</b>    | <b>1,542,026</b> | <b>1,625,501</b> | <b>(5.1)%</b> |
| Scope 2 (tCO <sub>2</sub> e) market-based      | 624              | 6,801             | 7,425            | 2,482            | 199.2%        |
| <b>Total (tCO<sub>2</sub>e) market-based</b>   | <b>1,047,661</b> | <b>438,389</b>    | <b>1,486,050</b> | <b>1,554,014</b> | <b>(4.4)%</b> |

### Breakdown of scope 3 emissions categories

|                                                  | 2025 tonnes CO <sub>2</sub> e | 2024 tonnes CO <sub>2</sub> e | 2025 % of total scope 1, 2, 3 emissions |
|--------------------------------------------------|-------------------------------|-------------------------------|-----------------------------------------|
| Cat 1 Purchased goods and services               | 528,673                       | 465,983                       | 21.6                                    |
| Cat 2 Capital goods                              | 24,144                        | 22,478                        | 1.0                                     |
| Cat 3 Fuel and energy-related activities         | 113,862                       | 117,289                       | 4.6                                     |
| Cat 4 Upstream transportation and distribution   | 185,919                       | 135,122                       | 7.6                                     |
| Cat 5 Waste generated in operations              | 708                           | 644                           | 0.0                                     |
| Cat 6 Business travel                            | 1,667                         | 1,619                         | 0.1                                     |
| Cat 7 Employee commuting                         | 12,243                        | 11,292                        | 0.5                                     |
| Cat 9 Downstream transportation and distribution | 22,985                        | 22,770                        | 0.9                                     |
| Cat 10 Processing of sold products               | 9,892                         | 4,186                         | 0.4                                     |
| Cat 12 End of life treatment of sold products    | 3,859                         | 2,801                         | 0.2                                     |
| Cat 13 Downstream leased assets                  | 1,858                         | 2,991                         | 0.1                                     |
| Cat 15 Investments                               | 3,185                         | 2,187                         | 0.1                                     |
| <b>Scope 3 total</b>                             | <b>908,995</b>                | <b>789,362</b>                | <b>37.1</b>                             |

## Sustainability appendix TCFD

### TCFD compliance statement

We have set out our climate-related financial disclosures consistent with the 11 recommendations of the TCFD and in compliance with UK Listing Rule 6.6.6R.

These disclosures reflect our assessment of climate-related risks and opportunities, our governance arrangements and our progress against climate-transition and decarbonisation targets. We continue to monitor evolving regulatory requirements, including the CSRD and UK Sustainability Reporting Standards.

Our Sustainability report from page 62 sets out how Breedon is responding to the urgent challenge posed by climate change, our progress against the metrics and targets which we have set to decarbonise our business, and the practical actions we are taking to achieve this. In 2025 we published our first Climate Transition Plan, in line with the requirements of the TPT.

Our TCFD disclosure supplements the Sustainability report by providing a clear analysis for our stakeholders on how climate change impacts Breedon's risk and opportunity landscape, and the governance arrangements we have in place to support delivery of our strategy.

We continue to report progress against our carbon reduction targets on pages 43 and 69.

| TCFD pillar                                                                                                                                                                                                        | Our response                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                               | Further information                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Governance</b><br><br>Disclose the organisation's governance around climate-related risks and opportunities.                                                                                                    | The Board retains overall responsibility for climate-related risks and opportunities and is supported by the Board-level Sustainability Committee, which meets three times per year. The Executive Committee is responsible for the design, implementation and execution of climate- and sustainability-related strategies.                                                                                                                          | The Group Sustainability Director leads Breedon's sustainability team and chairs the cross-divisional Sustainability Steering Committee. They have day-to-day management responsibility for climate-related issues.                                                           | Climate change governance process »65<br>Sustainability Committee report »124                                                                                                                             |
| <b>Strategy</b><br><br>Disclose 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 presents both risks and opportunities for Breedon's sustainable-growth strategy. To ensure that our approach reflects the latest science, we model a range of climate-warming scenarios to assess potential impacts on operations, markets and supply chains. These assessments have identified tactical actions to manage climate-related risks and opportunities and have not required fundamental changes to our overall strategy. | Our strategic commitment to sustainability is demonstrated through our key strategic objectives of Expand and Improve, with decarbonisation a critical element of delivering value for all our stakeholders.                                                                  | Climate scenarios modelled »89 and 90<br>Chief Executive Officer's review and strategy »28 to 35<br>Sustainability: Our approach »62<br>Sustainability: Strategic actions and progress achieved »67 to 86 |
| <b>Risk management</b><br><br>Disclose how the organisation identifies, assesses, and manages climate-related risks.                                                                                               | Climate-related risk identification, assessment and management are integrated into the Group's overall risk-management and internal-control framework. Climate change and associated regulatory developments are recognised principal risks within this framework.<br><br>We have embedded a sustainability risk register into the Group-wide risk processes.                                                                                        | The Group Sustainability Director, together with management teams and the cross-divisional Sustainability Steering Committee enhanced the outputs from the climate risk review exercise in 2025 with further in-depth modelling and agreed action priorities with management. | Climate risk management processes »89<br>Climate-related risks and opportunities »91 to 93<br>Managing our risks and opportunities »49 to 59                                                              |
| <b>Metrics and targets</b><br><br>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.                                  | We report our emissions metrics in line with UK SECR requirements, including absolute scope 1, scope 2 and relevant scope 3 emissions, alongside intensity indicators.<br><br>We have committed to achieving net zero emissions across our value chain by 2050, supported by science-based near-term and net-zero targets validated by the SBTi.                                                                                                     | Progress against these targets is monitored by management, the Executive Committee, the Sustainability Committee and the Board.<br><br>Performance measures, linked to remuneration frameworks for senior leaders, support delivery of our climate-related objectives.        | SECR reporting »87<br>Carbon targets and progress »69 »87<br>Sustainability objectives and remuneration »43<br>Net zero road map »70                                                                      |

## Sustainability appendix TCFD

### Climate risk management process

- Climate change is one of Breedon's principal risks, with climate-related risks and opportunities integrated into the Group's overall risk management and internal control framework, set out on pages 49 to 59.
- As part of our broader risk-management processes, we undertook a full climate-risk review in 2022, with physical-risk assessments and scenario modelling updated in 2025 to reflect newly acquired sites and evolving climate projections.
- This review assessed both physical and transitional risks across multiple time horizons through to 2050, enabling a comprehensive understanding of our evolving risk landscape.
- The outputs underpinned the selection of the most significant climate-related risks and opportunities included in our scenario analysis and sustainability risk register.

### Climate scenarios considered and impact on risk

Our financial planning assumes that each division meets its commitment to achieving net zero emissions by 2050.

While the pace of policy change and technological development varies across scenarios, our modelling assumes no scalable short-term substitute for concrete products.

Across the scenarios assessed, the Group remains profitable and cash generative, although in some scenarios some restructuring of our operating model may be required to achieve this.

Given the decarbonisation pathway for cement, transitional risks present the greatest financial implications for Breedon, particularly under scenarios involving rapid increases in carbon prices. Physical risks, while present, are less financially material in comparison.

Together, our scenario analysis, physical-risk modelling and financial-impact assessment provide a balanced view of potential climate-related risks and opportunities across the Group. These insights support the integration of climate considerations into strategic planning, capital allocation and operational decision-making.

### Scenarios modelled

We assess our exposure to climate-related risks under multiple warming pathways to help evaluate the potential implications for operational continuity, carbon-cost exposure, physical-risk intensity and long-term market conditions.

#### Disorderly Transition

The Disorderly Transition scenario assumes a delayed introduction of climate policies, with global GHG emissions increasing throughout the 2020s before governments adopt more drastic measures from 2030 onwards to achieve net zero emissions by 2050. As a result, global temperatures rise significantly higher than under the Orderly Transition scenario.

Transitional risks are highest in this scenario due to the severity of late-stage policy interventions, while physical risks also increase as higher temperatures drive more intense extreme-weather events.

#### Orderly Transition

The Orderly Transition scenario assumes that climate policies are introduced early and then strengthened gradually, limiting global temperature increases to more manageable levels.

Transitional risks rise under this pathway because climate action is more rapid and ambitious than under current

policies, leading to higher carbon pricing trajectories and increased investment in renewable energy.

Physical risks are comparatively subdued due to lower temperature rises, although increased frequency and intensity of extreme weather events and weather pattern disruption still occur.

Transitional risks are therefore the highest of all scenarios reflecting the greater severity of the measures required as a result of the delayed implementation of policy measures, while physical risks increase relative to the Orderly Transition model as increased global temperatures result in more extreme weather events.

#### Adaptation scenario

The Adaptation scenario aligns with the NGFS Hot House World pathway and assumes that some climate policies are implemented but are insufficient to halt significant global warming.

Critical temperature thresholds are exceeded, resulting in severe and irreversible physical impacts and the highest level of physical risk across the three scenarios.

Policy measures in this pathway focus more on adaptation than decarbonisation, leading to lower transitional risk but increased investment in climate-resilience projects.

## Sustainability appendix TCFD

### Mapping to Breedon scenarios

|                                     | Orderly Transition                                                                                                                                                           | Disorderly Transition                                                                                                                              | Adaptation                                                                                                                                                                             |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Summary</b>                      | The Orderly Transition scenario assumes early and gradual climate policies limit temperature increase to 1.5°C. Transitional risks are high, but physical risks are subdued. | Disorderly Transition sees delayed policy action which leads to higher temperatures (up to 2.0°C) and more severe transitional and physical risks. | The Adaptation scenario assumes insufficient policies result in significant warming (3.0°C+), with the highest physical risks and increased investment in climate resilience projects. |
| <b>NGFS scenarios</b>               | Divergent Net Zero & Net Zero 2050                                                                                                                                           | Below 2°C & Delayed Transition                                                                                                                     | Current Policies & Nationally Determined Contributions                                                                                                                                 |
| <b>IEA World Energy Outlook</b>     | Net Zero Emissions (NZE)                                                                                                                                                     | Announced Pledges (APS)                                                                                                                            | Stated Policies (STEPS)                                                                                                                                                                |
| <b>IPCC Fifth Assessment Report</b> | RCP2.6                                                                                                                                                                       | RCP4.5 > RCP6.0                                                                                                                                    | RCP6.0-RCP8.5                                                                                                                                                                          |
| <b>IPCC Sixth Assessment Report</b> | SSP1-2.6                                                                                                                                                                     | SSP2-4.5                                                                                                                                           | SSP5-8.5                                                                                                                                                                               |
| <b>Approx. temp increase</b>        | 1.4-1.8°C                                                                                                                                                                    | 1.4-2.7°C                                                                                                                                          | 2.6-4.4°C+                                                                                                                                                                             |

Each scenario was evaluated across three time horizons:

- Short-term to 2030
- Medium-term to 2040
- Long-term to 2050

The details of the risks and opportunities considered can be found on pages 91 to 93. The net risk or opportunity rating shown for each type and scenario considers the highest impacts across the time horizons.

In 2025 Breedon further deepened its physical climate scenario analysis by engaging in two separate modelling exercises, described below.

#### Site-based climate scenario analysis

Breedon selected three sites, one each in the GB, Ireland and the US, that have been exposed to physical climate impacts in recent years. For these sites, we sourced location-specific, forward-looking climate data for the baseline period (1990-2020) and for all Shared Socioeconomic Pathways climate scenarios for 2030, 2040 and 2050.

Using downtime data from 2025 and a wider sample of 72 GB quarry sites, we modelled the potential future Climate Value at Risk associated with downtime caused by increased flooding, storms, cold-weather events and water stress.

This approach was applied to the three sites analysed and also extrapolated, using the median climate changes from the Ireland

and UK sites to model what would happen if the same changes occurred across the GB quarry portfolio of 72 sites for which data was readily available.

The conclusion of this exercise was that, under the highest-emissions scenario (SSP5-8.5), and using conservative modelling assumptions, the expected financial impact was assessed as less than £3m per annum by 2050, an amount considered medium risk in the context of the Group's revenue. We will continue to refine and improve the granularity of our modelling over time.

#### Demand impact as a result of different extreme weather and adaptation efforts

Breedon also assessed the potential impact of extreme weather events on demand for our products, considering both construction delays (for example, due to flooding or very low temperatures resulting in lower demand) and whether there was any increase in demand for Breedon products because of additional adaptation measures following extreme weather (such as additional flood defences).

Despite exploring several modelling approaches, no significant impact on overall demand could be confirmed to date. Further modelling is planned on a more granular level over the course of the next 12 months.

## Sustainability appendix TCFD

## Risks and opportunities

## Net risk rating

Low Medium High Very high

| Risk type               | PHYSICAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | PHYSICAL RISKS                                                                                                                                                                                                                                          | TRANSITIONAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk                    | <b>Extreme weather events</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Water availability</b>                                                                                                                                                                                                                               | <b>Carbon pricing</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Net risk rating         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Time horizon            | Short to long                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Medium to long                                                                                                                                                                                                                                          | Medium to long                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Risk rating by scenario | Orderly Disorderly Adaptation                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Orderly Disorderly Adaptation                                                                                                                                                                                                                           | Orderly Disorderly Adaptation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Description             | Our operational sites may be exposed to acute physical risks from extreme weather in the form of flooding, high winds and extreme cold. Increased frequency of heavy rainfall and subsequent flooding poses a risk of site inundation, damage to mobile plant equipment, and increased water management costs. Severe winter cold snaps threaten to damage infrastructure and pause production, potentially resulting in project delays for our customers and decreased operational capacity. | Climate change could put additional stress on the availability of water, which is a key operating material for a number of our quarries and concrete plants.                                                                                            | We purchase carbon allowances for our carbon emissions under both UK and EU ETS schemes. The cost of these allowances is forecast to rise over the long-term under nearly all climate scenarios, as a factor of both market pricing and the gradual withdrawal of existing free allowances to incentivise investment in low carbon technologies. If the cost of emissions allowances rises faster than the speed that we are able to decarbonise, this would result in increased input costs. Cement imported from countries with lower carbon costs would be more affordable than locally produced cement unless a CBAM is imposed.                                                                                                                                                                                          |
| Management response     | The majority of Group operational sites operate to an ISO 14001 management system which requires management of environmental impacts, including controls for adverse events. This allows for site-specific contingency plans in the event of extreme weather to ensure impacts are minimised. We are also able to leverage our wide network of sites to fulfil orders if impacts are localised to a specific site.                                                                            | We continue to invest in smart water metering at our top water consuming sites to understand demand patterns and allow us to scope operational contingency measures, including water storage. The roll-out of further metering will continue into 2026. | We have science-based carbon-reduction targets and roadmaps across our businesses. Progress against our targets is monitored via KPIs that are linked to Executive Committee remuneration. These will reduce the carbon intensity of our business and the corresponding requirement for emissions allowances. To the extent that carbon prices rise more rapidly than the impact can be mitigated through carbon reduction, our deliberate pricing strategy has allowed us to pass on increases to date and we expect this will continue. The EU have introduced a CBAM commencing in 2026, and the UK government is due to launch its own in 2027. This will ensure equal treatment of carbon costs on international cement imports, and we are engaged through industry bodies to ensure these are effectively implemented. |
| Associated metrics      | — Site downtime                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | — Sites in areas of water stress<br>— Mains water litres/tonne                                                                                                                                                                                          | — Carbon emissions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## Sustainability appendix TCFD

## Risks and opportunities

## Net risk rating

Low Medium High Very high

| Risk type               | TRANSITIONAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | TRANSITIONAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                            | TRANSITIONAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk                    | <b>Capital cost of transition</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>Fuel costs and availability</b>                                                                                                                                                                                                                                                                                                                                                                                            | <b>Reputational damage</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Net risk rating         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Time horizon            | Short to long                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Medium to long                                                                                                                                                                                                                                                                                                                                                                                                                | Medium to long                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Risk rating by scenario | Orderly Disorderly Adaptation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Orderly Disorderly Adaptation                                                                                                                                                                                                                                                                                                                                                                                                 | Orderly Disorderly Adaptation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Description             | While the capital costs of our carbon-reduction strategy are reflected in our financial plans, the technology required to decarbonise our Cement business is not yet proven at scale and it is consequently not possible to quantify the gross cost of the transition over the longer-term. It is likely that very substantial capital investment will be required, which could limit funds available to invest in growth projects elsewhere in the business. To be commercially viable, the costs of this investment would need to be passed into the market through higher pricing, and without clarity as to the level of investment required, it is unclear how this might impact demand for cement. | The transition to a lower carbon economy is forecast to impact the cost and availability of fuels which Breedon currently uses or may use in the future.                                                                                                                                                                                                                                                                      | If our sustainability strategy does not demonstrably succeed in meeting the challenge of climate change, or we fail to meet our carbon reduction targets due to a perceived lack of commitment, we may suffer significant reputational damage impacting our relationships with our customers, colleagues, investors and other stakeholders.                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Management response     | Our base case scenario is that the required carbon-reduction technologies will be developed to operate at scale over the medium-term, and that these will represent commercially viable investments either on a standalone basis or with the benefit of additional government subsidy. We are closely monitoring developments in emissions-reducing technology, and our financial forecasting processes reflect the costs of anticipated sustainability projects. We are an active member of the MPA and the GCCA, supporting collaborative approaches to climate challenges and policy development across the sector.                                                                                   | Our energy team monitors developments in fuel costs and availability, and works closely with operational teams to ensure that we have maximum optionality on the types of fuel capable of being used in our plants. We are investing in a number of renewable energy generation projects for electricity to reduce dependency on volatile markets, provide longer-term cost certainty and become a more sustainable business. | We demonstrate our commitment to sustainability by taking visible actions today to decarbonise our business, setting ourselves credible targets for the future and underpinning this with appropriate governance structures. Our net-zero targets were validated by the SBTi during 2024, and our investments in sustainability projects provide tangible evidence that we are taking action to reduce the carbon emitted by our operations. Our carbon and energy metrics are externally assured to strengthen stakeholder trust. Our Group Sustainability Director provides subject matter expertise in this area, and the Board is supported, in particular by the Sustainability Committee, to ensure that our governance structures are appropriate to provide challenge. |
| Associated metrics      | — Capital expenditure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | — Operational expenditure                                                                                                                                                                                                                                                                                                                                                                                                     | — Carbon emissions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## Sustainability appendix TCFD

## Risks and opportunities

## Net opportunity rating

Low Medium High Very high

|                                | OPPORTUNITIES                                                                                                                                                                                                                                                                                                                                                | OPPORTUNITIES                                                                                                                                                                                                                                                                                  | OPPORTUNITIES                                                                                                                                                                                                                                                                       |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Opportunity                    | <b>Alternative uses of land resources</b>                                                                                                                                                                                                                                                                                                                    | <b>Climate resilience and/or green infrastructure projects</b>                                                                                                                                                                                                                                 | <b>Sustainable products</b>                                                                                                                                                                                                                                                         |
| Net opportunity rating         |                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                     |
| Time horizon                   | Medium to long                                                                                                                                                                                                                                                                                                                                               | Medium to long                                                                                                                                                                                                                                                                                 | Short to long                                                                                                                                                                                                                                                                       |
| Opportunity rating by scenario | Orderly Disorderly Adaptation                                                                                                                                                                                                                                                                                                                                | Orderly Disorderly Adaptation                                                                                                                                                                                                                                                                  | Orderly Disorderly Adaptation                                                                                                                                                                                                                                                       |
| Description                    | We have significant land holdings, typically areas of our quarries on which restoration has been completed, which could be used for alternative purposes such as carbon sequestration to generate our own emissions credits, biodiversity net gain or to host renewable energy infrastructure.                                                               | Our products are used in infrastructure projects which both enhance physical climate resilience, such as flood defence schemes, and in transitional technologies, such as green energy networks. Increasing investment into these types of project increases demand for our existing products. | Demand for more sustainable products is expected to increase, which provides a market opportunity to improve both volumes and margins through product innovation and investment in lower carbon technologies.                                                                       |
| Management response            | We have further analysed our natural and social capital performance assessment of all our non-operating rural assets through the lens of our current agricultural tenants. We are currently evaluating proposals and possible partnerships with like-minded tenants and partners. This will ensure that we are maximising future value for our stakeholders. | Our network of operating locations and significant mineral reserves means we are well positioned to take advantage of increased demand arising from climate resilience and green infrastructure projects.                                                                                      | We continue to target and track performance against our Places pillar target to achieve 50% of sales for manufactured products from the Breedon Balance range. Investment in innovative technologies and research and development is supporting our teams to achieve these targets. |
| Associated metrics             | — Carbon emissions                                                                                                                                                                                                                                                                                                                                           | — Revenue                                                                                                                                                                                                                                                                                      | — Breedon Balance sales                                                                                                                                                                                                                                                             |

## Sustainability appendix TCFD

### Financial impacts

#### Financial impacts from modelled risks

Where we have been able to utilise external data sources to quantify a climate-related risk or opportunity, the table below discloses details of the data source and the resultant possible financial impact prior to mitigating actions which has informed our scenario analysis.

For those risks which cannot be reliably quantified, we would forego the operating profit from our two cement plants.

| RISK MODELLED                                                                                                                         |                                                                                                                                                                         |                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Extreme weather                                                                                                                       | Water availability                                                                                                                                                      | Carbon pricing                                                                                                                                                                                                                                          | Fuel costs and availability                                                                                                                                                                                                                                         |
| DATA SOURCE                                                                                                                           |                                                                                                                                                                         |                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                     |
| ClimSystems CMIP6 extreme weather indicators for extreme wind, extreme rain, heatwaves and cold                                       | WRI's Aqueduct Water Risk Atlas to determine risk of water stress impacting production                                                                                  | International Energy Agency's Global Energy and Climate model                                                                                                                                                                                           | Fuel price projections are derived from an Integrated Assessment Model framework                                                                                                                                                                                    |
| OUTPUT Highest modelled impact                                                                                                        |                                                                                                                                                                         |                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                     |
| Using the RCP8.5 scenario modelled, less than 1% of Group operating profit is estimated to be at risk due to extreme weather in 2050. | Under the most pessimistic climate scenario modelled, less than 1% of Group operating profit is estimated to be at risk due to a lack of water availability until 2050. | To achieve net zero by 2050, all free allowances are withdrawn and carbon price grows rapidly to reach £185/tonne by 2050.<br><br>Assuming no reduction of current emissions levels, this would represent a gross cost of c.£275m per annum to Breedon. | To achieve net zero by 2050, fuel availability is limited and costs increase significantly.<br><br>Assuming Breedon's current fuel mix does not change from 2025 levels, this could add up to £45m of increased cost to Breedon by 2030 and £90m per annum by 2050. |

#### Geographical impacts

Climate-related opportunities and risks are applicable to all geographies in the Group. The table below reports the amount and extent to which the assets and revenue of each division is vulnerable to the significant climate risks and opportunities.

| Division           | Great Britain |      | Ireland |      | United States |      |
|--------------------|---------------|------|---------|------|---------------|------|
| Revenue            | £1,116.1m     |      | £291.6m |      | £316.1m       |      |
| Total assets       | £1,349.8m     |      | £518.5m |      | £461.5m       |      |
| Potential impact   | Low           | High | Low     | High | Low           | High |
| Physical risks     |               |      |         |      |               |      |
| Transitional risks |               |      |         |      |               |      |
| Opportunities      |               |      |         |      |               |      |

## Sustainability appendix TCFD

### Impacts on strategy

Sustainability remains a critical element of our strategy which underpins the whole of our operating model.

The greatest climate-related risks arise from transitional impacts, which are mitigated through the strategic actions being taken to decarbonise our business and achieve net zero by 2050.

We are well positioned to capitalise on climate-related opportunities, with a strategy to grow the percentage of sales from Breedon Balance products, and are in the process of reviewing our land holdings to assess how we can best utilise them to maximise sustainable, environmentally friendly outcomes.

Our operating locations are exposed to relatively low physical risk, and consequently this does not require a significant strategic response. A number of tactical initiatives are in place to ensure that the physical risks to achieving our strategy are appropriately managed.

### Climate in the financial statements

We have considered the financial reporting implications of the impacts of climate change on the financial statements.

#### Impairment of non-current assets

As noted in our impairment testing disclosure in note 9 of the consolidated financial statements, there may be elevated levels of climate-related risk in respect of assets in our cement plants as clarity emerges on the costs and corresponding commercial impact of the transition to net zero. Note 9 of the consolidated financial statements is on page 182.

#### Inventory obsolescence

If market demand were to decline significantly as a result of climate change, impacting consumer purchasing habits, the cost of inventory held on the Group's balance sheet may become irrecoverable.

There has been no sign of decreasing demand for the Group's products as a result of societal responses to climate change. Furthermore, any change in consumer demand is expected to occur over a prolonged period of time. Financial controls are in place to identify these shifts in demand and we would expect to have sufficient time to identify any risks and adapt stock production accordingly.

The Group's inventories include some spare parts held for our cement plants. As discussed in our impairment testing disclosures, the technological advancements required to achieve net zero could result in these items becoming obsolete over time, but at present these parts are held to support a profitable trading business and are not impaired.

#### Recoverability of trade debtors

The economic impacts of climate change may damage our customers' liquidity, leading to irrecoverable debts. Cash collection has remained excellent across the Group throughout 2025 and we mitigate this risk through credit insurance policies.

We have not identified any indicators that our customers' ability to settle debts has been impacted by climate change factors. Financial controls are in place to identify any concerns regarding bad debts. Furthermore, any risks arising as a result of climate change are expected to occur slowly over an extended period of time, enabling management to respond.

### Trade payables and other liabilities

The economic impacts of climate change may damage our suppliers' abilities to continue in operation, disrupting our supply chain. We have not identified any signs that the ability of our suppliers to trade is currently impacted by climate change and consider this unlikely in the short- to medium-term.

Where we hold provisions for restoration, it is likely that the sustainability standards governing restoration obligations will increase over time. However, this would not impact measurement of existing liabilities.

### Going Concern and Viability

We have considered the impact of climate change through the short- to medium-term forecasts used to support our use of the Going Concern assumption in preparing our financial statements, and our Viability assessment over a three-year period.

Over the longer-term, it is possible that the impact of climate change could result in increased costs of capital. However we completed a successful refinancing exercise during the year at competitive interest rates, we maintain positive relationships with our lenders and there has been no indication that the impact of climate change will result in any significant issue in the Group obtaining finance.

## Sustainability appendix Non-Financial and Sustainability Information Statement

| Reporting requirement and key performance information                                                                                                                                                    | Relevant policies – reviewed annually                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page reference                                                                                                                                                                                                                                                                                                      | Reporting requirement and key performance information                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Relevant policies – reviewed annually                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Page reference                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Environmental matters</b>                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                     | <b>Employees</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                 |
| <ul style="list-style-type: none"> <li>Progress made on SBTi net-zero targets</li> <li>Location-based carbon-intensity by revenue reduction of 10%</li> <li>Climate Transition Plan published</li> </ul> | <p><b>Energy and Carbon Policy</b> – Commitment to operating the business in a way that continually reduces – and ultimately eliminates – our contribution to global warming.</p> <p><b>Environment Policy</b> – Commitment to protecting the environment, preventing pollution and minimising environmental impacts on surrounding communities.</p> <p><b>Circular Economy Policy</b> – Commitment to embedding circular-economy principles and responsible resource use.</p> <p><b>Biodiversity Policy</b> – Commitment to protecting, restoring and enhancing biodiversity across operational sites.</p> <p><b>Sustainability Policy</b> – Commitment to balancing environmental, social and economic impacts to create long-term value.</p> | <p><b>More information:</b><br/>Non-financial KPIs »43</p> <p>Sustainability progress »62 to 86</p> <p><b>Related principal risks:</b><br/>Climate change »52</p> <p>Land and mineral management »53</p> <p>Competition »54</p> <p>Laws, regulations and governance »56</p> <p>Supply chain and input costs »57</p> | <ul style="list-style-type: none"> <li>3.4 combined (employees and contractors) LTIFR per million hours worked</li> <li>18.5 combined (employees and contractors) TIFR per million hours worked</li> <li>77% colleague engagement score/colleagues feel proud to work for Breedon</li> <li>43% of Board positions held by women</li> </ul>                                                                                                                                                                     | <p><b>Business Code of Conduct</b> – Commitment to high ethical standards in all business dealings.</p> <p><b>Health, Safety and Wellbeing Policy</b> – Commitment to preventing injuries and work-related ill-health, supported by continuous improvement and sharing of good practice.</p> <p><b>Diversity and Inclusion Policy</b> – Commitment to valuing individual differences and fostering an inclusive environment.</p> <p><b>Social Responsibility Policy</b> – Commitment to acting ethically and contributing positively to the communities in which we operate.</p>                                                                                                                                                                                                                                                                                                                                                             | <p><b>More information:</b><br/>Non-financial KPIs »43</p> <p>Colleague engagement »77</p> <p>Board composition »104 and 105</p> <p><b>Related principal risks:</b><br/>People »54</p> <p>Health and safety »55</p> <p>Laws, regulations and governance »56</p> |
| <b>Climate-related financial disclosures</b>                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                     | <b>Human rights</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                 |
| <ul style="list-style-type: none"> <li>Reported against the recommendations of the TCFD</li> </ul>                                                                                                       | <p><b>Energy and Carbon Policy</b> – Commitment to operating the business in a way that continually reduces – and ultimately eliminates – our contribution to global warming.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p><b>More information:</b><br/>SECR table »87</p> <p>TCFD »88 to 95</p> <p>Climate change governance process »64 and 65</p> <p><b>Related principal risks:</b><br/>Climate change »52</p> <p>Laws, regulations and governance »56</p>                                                                              | <ul style="list-style-type: none"> <li>More than 1,200 employees trained to identify indicators of modern slavery and human trafficking for which we have a zero tolerance policy</li> <li>Enhanced supplier pre-qualification processes and completed 35 audits of high-risk and strategic suppliers</li> <li>Continued to apply the Sustainable Procurement Policy, Supplier Code of Conduct and Modern Slavery and Human Trafficking Statement to reinforce expectations across the supply chain</li> </ul> | <p><b>Human Rights Policy</b> – Commitment to upholding human-rights principles and maintaining zero tolerance for modern slavery.</p> <p><b>Modern Slavery and Human Trafficking Statement 2025</b> – Outlines the actions we have taken during the financial year to 31 December 2025 to prevent modern slavery and human trafficking in our business and supply chains.</p> <p><b>Sustainable Procurement Policy</b> – Our commitment to working collaboratively with suppliers to ensure our procurement practices meet legal requirements and actively support positive social and environmental outcomes.</p> <p><b>Supplier Code of Conduct</b> – Sets out the minimum standards of behaviour, ethics and performance required of all suppliers providing products or services to the Group.</p> <p><b>Whistleblowing Policy</b> – Provides an independent and confidential mechanism to raise concerns without fear of reprisal.</p> | <p><b>More information:</b><br/>Human rights »86</p> <p>Responsible procurement »86</p> <p><b>Related principal risks:</b><br/>People »54</p> <p>Laws, regulations and governance »56</p> <p>Supply chain and input costs »57</p>                               |

## Section 172(1) statement

The Board is fully aware of and understands its duties under Section 172 of the Companies Act 2006 and has established a framework for determining those matters within its remit.

Our Section 172(1) statement identifies our stakeholders, gives examples of key decisions taken by the Board in 2025 and how stakeholders were considered in the decision-making process. The table below shows how the Board's duties under Section 172 are connected to our business model and overall corporate strategy and how the Board's decisions are implemented by management.

The directors believe they have acted in good faith in a manner which is likely to promote the success of the Company for the benefit of its members and other stakeholders through the decisions they have taken during 2025. The Board had regard to stakeholders' interests as set out on the following pages.

### The likely consequences of any decision in the long term

|                        |     |
|------------------------|-----|
| Investment case        | »01 |
| Business model         | »22 |
| CEO review and outlook | »28 |
| CFO review             | »44 |

### The interests of the Company's employees

|                                  |      |
|----------------------------------|------|
| People                           | »76  |
| Culture and colleague engagement | »109 |
| Diversity reporting              | »78  |
| Whistleblowing                   | »119 |

### The need to foster business relationships with suppliers, customers and others

|                   |     |
|-------------------|-----|
| Market review     | »16 |
| Business model    | »22 |
| Operating reviews | »36 |
| Sustainability    | »62 |

### The impact of the Company's operations on the community and the environment

|                                      |     |
|--------------------------------------|-----|
| Market review                        | »16 |
| Operating reviews                    | »36 |
| Managing our risks and opportunities | »49 |
| Sustainability                       | »62 |

### The desirability of the Company maintaining a reputation for high standards of business conduct

|                                      |      |
|--------------------------------------|------|
| Business model                       | »22  |
| Breedon at a glance                  | »10  |
| Managing our risks and opportunities | »49  |
| Governance report                    | »102 |
| Whistleblowing                       | »119 |
| Code compliance                      | »126 |

### The need to act fairly as between members of the Company

|                                  |      |
|----------------------------------|------|
| Investment case                  | »01  |
| Sustainability                   | »62  |
| Culture and colleague engagement | »109 |
| Engaging with shareholders       | »111 |

## Section 172(1) statement

|                                                             | Colleagues                                                                                                                                                                                                                                                                                            | Customers and suppliers                                                                                                                                                                                                                                                                          | Communities                                                                                                                                                                                                                                  | Investors and lenders                                                                                                                                                                                                                                                                                                                            | Regulators, local government, industry associations                                                                                                                                                                             |
|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Key concerns identified by the Board</b>                 | <ul style="list-style-type: none"> <li>Physical working conditions</li> <li>Pay and benefits</li> <li>Communication</li> <li>Opportunities for development and training</li> <li>Health, safety and wellbeing</li> <li>Sustainability</li> </ul>                                                      | <ul style="list-style-type: none"> <li>Product development</li> <li>Service levels</li> <li>Sustainability commitments</li> <li>Product quality</li> <li>Payment practices</li> <li>Cost</li> </ul>                                                                                              | <ul style="list-style-type: none"> <li>Noise</li> <li>Transportation routes</li> <li>Health and safety</li> <li>Environment</li> <li>Communication</li> <li>Support for local causes</li> </ul>                                              | <ul style="list-style-type: none"> <li>Governance</li> <li>Profitability and return on investment</li> <li>Sustainability commitments</li> <li>Dividend policies</li> <li>Environment</li> <li>Strategy</li> </ul>                                                                                                                               | <ul style="list-style-type: none"> <li>Climate change</li> <li>Emissions and discharges</li> <li>Site restoration and aftercare</li> <li>Health and safety</li> <li>Logistics practices</li> <li>Planning compliance</li> </ul> |
| <b>Direct methods of engagement by the Group</b>            | <ul style="list-style-type: none"> <li>Colleague focus groups</li> <li>Colleague groups and social committees</li> <li>Designated Non-executive Director (DNED) for Workforce Engagement</li> <li>Personal development reviews</li> </ul>                                                             | <ul style="list-style-type: none"> <li>In-person engagement</li> <li>Contracts and terms of business</li> <li>Tender quotations</li> </ul>                                                                                                                                                       | <ul style="list-style-type: none"> <li>Targeted consultations</li> <li>360 feedback</li> <li>Local liaison meetings</li> <li>Good neighbour plans</li> <li>Community events</li> <li>Site tours, open days</li> <li>School visits</li> </ul> | <ul style="list-style-type: none"> <li>One-to-one meetings</li> <li>Group meetings</li> <li>Investor conferences</li> <li>Brokers' contacts</li> <li>AGM and General Meetings</li> </ul>                                                                                                                                                         | <ul style="list-style-type: none"> <li>Regulator visits and meetings</li> <li>Liaison with local MPs and government offices</li> <li>Participation in industry associations</li> </ul>                                          |
| <b>Indirect methods of engagement by the Group</b>          | <ul style="list-style-type: none"> <li>Colleague engagement surveys</li> <li>Intranet, post, emails, newsletters, notices</li> </ul>                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Third-party engagement</li> <li>Website</li> <li>Industry associations</li> </ul>                                                                                                                                                                         | <ul style="list-style-type: none"> <li>Social media</li> <li>Letters, emails, notices</li> <li>Websites</li> </ul>                                                                                                                           | <ul style="list-style-type: none"> <li>Website</li> <li>Annual Report and Accounts</li> <li>Social media</li> </ul>                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>Mandatory returns and applications</li> <li>Notices</li> </ul>                                                                                                                           |
| <b>How views were shared with the Board during the year</b> | <ul style="list-style-type: none"> <li>Health and safety reports at every Board meeting</li> <li>Engagement survey results</li> <li>Overview of workforce pay and benefits</li> <li>Regular updates from the Group People Director</li> <li>Reports from the DNED for Workforce Engagement</li> </ul> | <ul style="list-style-type: none"> <li>Major contract approvals</li> <li>Updates from management</li> </ul>                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Site visits</li> <li>Updates on key planning consents</li> <li>Updates from management</li> </ul>                                                                                                     | <ul style="list-style-type: none"> <li>Updates from the Head of Investor Relations and brokers</li> <li>Analyst reports</li> <li>CEO and CFO meetings with investors, in particular following results announcements</li> <li>SID meetings with investors, in particular regarding the Chair's tenure</li> <li>Director AGM attendance</li> </ul> | <ul style="list-style-type: none"> <li>Updates on specific regulations from subject matter experts</li> <li>Updates from management</li> </ul>                                                                                  |
| <b>Value created</b>                                        | Improved engagement with colleagues ensures we develop, motivate and retain our valued workforce while promoting and attracting new colleagues who want to work for us.                                                                                                                               | Engaging with our customers helps us deliver excellent customer service and build relationships to enable us to get the right product, to the right place, at the right time, for the right price. Engaging with our suppliers helps us deliver a sustainable supply chain and circular economy. | Positive engagement with our communities ensures that we understand and take into account their concerns and needs so that we can address these and improve the communities that we live and work in.                                        | Our engagement with investors and lenders ensures that they have a clear understanding of our business and objectives and are prepared to continue their financial support.                                                                                                                                                                      | Through our engagement we are able to respond and contribute to sector needs and requirements, deliver on compliance and regulatory standards, and have input in their development.                                             |

## Section 172(1) statement

# Board decisions 2025 stakeholder impact

**Stakeholder engagement provides the Board with insight as to what matters most to our stakeholders. The Board values the feedback that this engagement provides, which allows us to build trust, balance interests, needs and concerns, and make better decisions for all those affected.**

The Board recognises the critical role stakeholders play in the long-term success of the Company and is committed to building sustainable and resilient relationships with them. Further information about the Board's approach to engagement with our stakeholders is set out on page 98.

Our values and culture, set out on page 110, are key to how Breedon conducts its business and are an integral part of decision-making.

How we have engaged with investors in 2025 can be found on pages 111 to 113.

## Lionmark acquisition

### Context

The acquisition of Lionmark in March 2025 represented our second transaction of scale in the US market as we seek to build out our US platform. Both BMC and Lionmark are headquartered in St Louis, Missouri and the acquisition has allowed us to diversify our US end-market exposure. The successful integration of the two businesses means we are ahead of schedule in the development of our US platform and our focus now is on identifying complementary bolt-on transactions as we develop our business across the Midwest.

### Consideration of S172(1) stakeholders

#### Investors

Due diligence on Lionmark was conducted by a mix of external and internal subject matter experts. This was considered by the Board, alongside a report on the valuation and financial effects of the acquisition, to ensure alignment with the Group's key strategic priorities and investor expectations.

#### Colleagues

The culture of Lionmark was reviewed to assess fit with Breedon's purpose, values and strategy. The Lionmark management team was also assessed for its ability to support a successful integration and ongoing performance.

#### Value created

The acquisition significantly increases Breedon's US revenue, allowing for further vertical integration and diversification of our US product offering into asphalt and surfacing. Lionmark is exposed to attractive markets, with growing demand underpinned by structural increases in transport infrastructure investment. Lionmark benefits from long-standing relationships with state transport authorities and large contractors.

The strong cultural fit, high-quality management team and complementary asset base have facilitated a straightforward integration into BMC, Breedon's existing US platform.

[More detail](#)

Section 172(1) statement

Borrowing facilities

Context

The Group requires access to capital to meet its day-to-day working capital and other funding requirements such as capital investment and acquisitions. The Group’s borrowing facilities comprise the RCF and the USPP loan notes programme.

Consideration of S172(1) stakeholders

All stakeholders

The Board is cognisant of the importance all stakeholders place on the maintenance of a strong, flexible balance sheet with appropriate leverage.

Our borrowing facilities are subject to leverage and interest cover covenants which are tested half-yearly.

Through the Audit & Risk Committee the Board retains oversight of covenant compliance through the year.



Value created

During the year, the Board approved the extension of our £400m RCF by 12 months to July 2029 and the issue of a further €95m of USPP loan notes. We remained fully compliant with all covenants during the period.

More detail

»47

New country-based management structure

Context

The management structure of the Group has developed over time in response to acquisitions and growth. In 2025 the Board took the opportunity to re-evaluate the management structure in light of the development of the Group and retirement of key members of the management team.

Consideration of S172(1) stakeholders

Colleagues

The impact on individuals within the management structure and on specific teams was assessed. The Remuneration Committee considered the pay and benefits for the new country CEOs and other Executive Committee members whose roles were affected by the restructure.

Investors and lenders

The Board considered the importance of enabling comparability of performance for investors and lenders while also complying with accounting standards.



Value created

With effect from 1 July 2025, the Group changed from a divisional management structure (GB, Ireland, Cement and US) to a country-based management structure (GB, Ireland and US) to reflect the geographical operating profile of the Group.

Our half year results were presented in the previous divisional structure, reflecting how the business was managed and reported upon during the period. Our full year results reflect the new country-based structure and include disclosure reconciliations where applicable. To aid stakeholders, we published historical segmental information under the new structure in January 2026.

More detail

»28

Section 172(1) statement

Cyber security

Context

The risks associated with interconnected technology platforms continue to grow, as evidenced by the high-profile incidents at Marks & Spencer, the Co-op Group and Jaguar Land Rover. These served as a reminder of the impact and costs associated with suffering a cyber incident.

Consideration of S172(1) stakeholders

Colleagues

The incidents suffered by other organisations highlighted the role individuals may unwittingly play in causing or enabling cyber breaches. This includes both the role played by social engineering to access systems, as well as the impact felt by colleagues on their ability to do their day-to-day work following an attack.



Customers and suppliers

Cyber incidents have the potential to disrupt delivery to customers. This could affect customers' ability to meet their contractual commitments and damage trust in the Group. The Group's suppliers may also be affected; for example, our ability to pay suppliers may be compromised. This could affect the financial performance of our suppliers and, again, damage trust in the Group. Any damage suffered to trust has the potential to affect the Group in the longer term, beyond the duration of the incident itself.

Investors and lenders

Cyber incidents can affect financial performance, for example, through an inability to generate revenue for a period of time and the need to access short-term financing to meet financial commitments until revenue can be restored. This could affect our ability to meet the covenants imposed by our lenders and our ability to pay dividends to investors.



Value created

The Board dedicated time to enhancing its oversight and increasing its understanding of cyber risks and resilience. This included participating in a cyber incident simulation exercise as part of the Board's strategy day, which was facilitated by external cyber security experts. The exercise generated a number of actions to strengthen ongoing programmes, including undertaking similar exercises for the Executive Committee and key teams within the Group.

More detail

»56

US share scheme

Context

In 2024, the Board approved the implementation of the US Employee Stock Purchase Plan (ESPP).

Consideration of S172(1) stakeholders

Colleagues

The Board wanted to ensure a similar opportunity to buy shares in the Company was available to US colleagues as was available to GB and Ireland colleagues through Sharesave schemes.

Investors

The participation of colleagues in share schemes aligns the interests of colleagues with those of investors.

Value created

Shareholders approved the ESPP rules at the AGM in 2025. The ESPP was implemented for our BMC colleagues during 2025 and Lionmark colleagues will be invited to participate from 2026.

# Governance

|                                          |      |
|------------------------------------------|------|
| Corporate governance at a glance         | »103 |
| Board of Directors                       | »104 |
| Corporate governance statement           | »106 |
| Board in action                          | »107 |
| Culture and colleague engagement         | »109 |
| Engaging with shareholders               | »111 |
| Audit & Risk Committee report            | »114 |
| Nomination Committee report              | »121 |
| Sustainability Committee report          | »124 |
| Compliance statement against the Code    | »126 |
| Directors' Remuneration report           | »132 |
| – Annual statement                       | »132 |
| – Remuneration at a glance               | »136 |
| – Directors' Remuneration Policy         | »137 |
| – Annual report on remuneration          | »141 |
| Directors' report                        | »149 |
| Statement of directors' responsibilities | »152 |

## Corporate governance at a glance

# Board overview

As at the date of this report, our Board comprised the Chair, four independent non-executive directors and two executive directors.

There is a clear division of responsibilities between the Chair, the SID and the CEO:

### Chair

- Ensure the Board is effective in setting and implementing the Group's direction and strategy.
- Oversee the operation of the governance framework.
- Chair the meetings of the Company, Board and Nomination Committee.
- Ensure the Board is effective in all aspects of its role, including its legal, regulatory and shareholder responsibilities.
- Maintain dialogue with the CEO and the Board on important and strategic issues.

### Senior Independent Director

- Act as a sounding board for the Chair and other members of the Board.
- Be an alternative point of contact for shareholders.
- Work with the Chair, Board and shareholders to resolve significant issues.
- Obtain a balanced understanding of the issues and concerns of shareholders.
- Lead the performance evaluation of the Chair on behalf of the Board.

### Chief Executive Officer

- Oversee the operational day-to-day management of the Group's businesses in line with the strategy and long-term objectives.
- Make decisions affecting the operations, performance and strategy of the Group's businesses, except for matters reserved to the Board or Committees.
- Implement the strategy and long-term objectives, annual budget and operating plan.

### Non-executive tenure

(as at the date of this report)

|                  |                                                                                     |                    |
|------------------|-------------------------------------------------------------------------------------|--------------------|
| Amit Bhatia      |  | 9 years, 7 months  |
| Carol Hui, OBE   |  | 5 years, 10 months |
| Pauline Lafferty |  | 4 years, 7 months  |
| Helen Miles      |  | 4 years, 11 months |
| Clive Watson     |  | 6 years, 6 months  |

### Independence

|                 |                                                                                     |   |
|-----------------|-------------------------------------------------------------------------------------|---|
| Independent     |  | 4 |
| Non-independent |  | 3 |

### Meeting attendance

|                             | Board | Audit & Risk | Remuneration | Nomination | Sustainability |
|-----------------------------|-------|--------------|--------------|------------|----------------|
| Amit Bhatia                 | 6/6   | –            | –            | 3/3        | 3/3            |
| Rob Wood                    | 6/6   | –            | –            | –          | –              |
| James Brotherton            | 6/6   | –            | –            | –          | –              |
| Carol Hui, OBE <sup>1</sup> | 5/6   | 4/4          | 4/4          | 3/3        | 3/3            |
| Pauline Lafferty            | 6/6   | 4/4          | 4/4          | 3/3        | 3/3            |
| Helen Miles                 | 6/6   | 4/4          | 4/4          | 3/3        | 3/3            |
| Clive Watson <sup>2</sup>   | 5/6   | 3/4          | 3/4          | 2/3        | 3/3            |

<sup>1</sup> Carol Hui missed one meeting of the Board as a result of a scheduling conflict.

<sup>2</sup> Clive Watson missed one meeting of each of the Board, Audit & Risk Committee, Remuneration Committee and Nomination Committee due to unforeseen personal circumstances.

### Ethnicity

|                | White                                                                                 | Ethnic minority |
|----------------|---------------------------------------------------------------------------------------|-----------------|
| Board          |  | 2               |
| Audit & Risk   |  | 1               |
| Remuneration   |  | 1               |
| Nomination     |  | 2               |
| Sustainability |  | 2               |

### Gender

|                | Male                                                                                  | Female |
|----------------|---------------------------------------------------------------------------------------|--------|
| Board          |  | 3      |
| Audit & Risk   |  | 3      |
| Remuneration   |  | 3      |
| Nomination     |  | 3      |
| Sustainability |  | 3      |

## Board of directors

## Board leadership

Our Board comprises an executive leadership team with extensive knowledge of the international construction materials industry, supported by experienced non-executive directors who bring a wealth of governance disciplines and a breadth of valuable external perspective to our business.

## Key

- A** Member of the Audit & Risk Committee
- R** Member of the Remuneration Committee
- N** Member of the Nomination Committee
- S** Member of the Sustainability Committee
- Committee chair**

### Skills matrix

|                                   |
|-----------------------------------|
| Board                             |
| Strategy                          |
| Sector                            |
| ESG                               |
| Finance/accounting                |
| Risk/internal control             |
| Legal                             |
| Workforce engagement/remuneration |
| Governance                        |
| Listed company                    |
| Cyber/technology                  |



Amit Bhatia

Chair of the Board

**N** **S** Independent: No

Amit was appointed to the Board in August 2016, appointed Deputy Chairman in April 2018 and Chair in May 2019.

## Experience

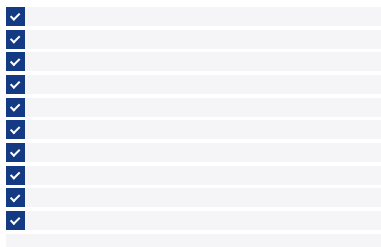
Amit has over 20 years' corporate finance and private equity experience. He is a founding Partner at Summix Capital, a strategic land and property fund. He was Executive Chairman of Hope Construction Materials until it was acquired by Breedon Group in August 2016 when he joined the Board as a non-executive.

### Other positions held

Director, Queens Park Rangers Football Club

Partner at Summix Capital

Managing Director – AyBe Capital  
Advisers Limited



Rob Wood

Chief Executive Officer

Independent: No

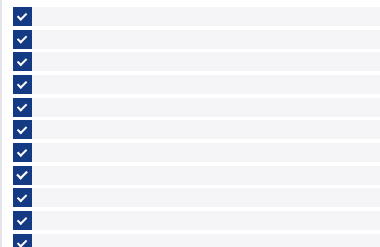
Rob was appointed to the Board in March 2014 as Group Finance Director and took the position of Chief Executive Officer in April 2021.

## Experience

Rob has over 25 years' experience in the international building materials industry. He qualified as a chartered accountant with Ernst & Young and subsequently joined Hanson plc where he held senior positions including Finance Director Brick Continental Europe, Finance Director Building Products UK and Chief Financial Officer Australia and Asia Pacific. Following the acquisition of Hanson plc by HeidelbergCement AG, Rob returned to the UK to join Drax Group plc as Group Financial Controller, subsequently undertaking responsibilities as Head of Mergers & Acquisitions.

### Other positions held

None



James Brotherton

Chief Financial Officer

Independent: No

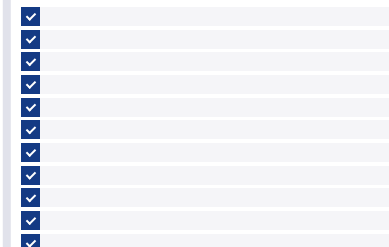
James was appointed to the Board in April 2021 as Chief Financial Officer.

## Experience

James joined Breedon in January 2021. Previously he was Chief Financial Officer of Tyman plc between 2010 and 2019, prior to which he was Director of Corporate Development. Earlier in his career, James worked in investment banking roles at Citi and HSBC, after qualifying as a chartered accountant at Ernst & Young.

### Other positions held

Director, The Quoted Companies Alliance  
Member of the Panel on Takeovers  
and Mergers  
Member of the Pre-Emption Group





**Carol Hui, OBE**  
Non-executive Director

A

R

N

S

Independent: Yes

Carol was appointed to the Board in May 2020 and as Chair of the Sustainability Committee in January 2022.

**Experience**

Carol was the Non-executive Chairman at Robert Walters plc. She served as an Executive Board Director, the Chief of Staff and General Counsel at Heathrow Airport Limited where she successfully led their third runway expansion effort. Carol also held senior executive positions at large companies including Amey plc and British Gas plc and was a corporate finance lawyer with Slaughter and May. Carol is an experienced non-executive director and has received numerous legal and business awards throughout her career. Carol received an OBE in 2024 for her services to tourism.

**Other positions held**

Non-executive Director, Grainger plc,  
Chair of Responsible Business Committee  
Non-executive Director, Lord  
Chamberlain’s Committee, Royal  
Household  
Board Trustee and Vice Chair, Christian Aid

| Skills matrix                     |                                                                                     |
|-----------------------------------|-------------------------------------------------------------------------------------|
| Board                             |  |
| Strategy                          |  |
| Sector                            |  |
| ESG                               |  |
| Finance/accounting                |  |
| Risk/internal control             |  |
| Legal                             |  |
| Workforce engagement/remuneration |  |
| Governance                        |  |
| Listed company                    |  |
| Cyber/technology                  |                                                                                     |



**Pauline Lafferty**  
Non-executive Director

A

R

N

S

Independent: Yes

Pauline was appointed to the Board and as Chair of the Remuneration Committee in August 2021 and is the DNED for Workforce Engagement.

**Experience**

Pauline brings significant experience from an international career spanning manufacturing and supply, executive search and human resources. Since retiring as Chief People Officer at Weir Group plc, where she was responsible for progressing the Group’s agenda on all aspects of strategic HR, she has embarked on a non-executive portfolio that includes Chair of the Remuneration Committee for XP Power Limited, Scottish Events Campus Limited and Centurion Group. Prior to Weir Group plc, Pauline was a Partner with The Miles Partnership and an Executive Director at Russell Reynolds Associates in the UK and Australia, and Asia Pacific Director of Materials & Supply at Digital Equipment Corporation in Hong Kong.

**Other positions held**

Non-executive Director, XP Power Limited,  
Chair of Remuneration Committee and  
DNED for Workforce Engagement

|                                                                                     |  |
|-------------------------------------------------------------------------------------|--|
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |



**Helen Miles**  
Non-executive Director

A

R

N

S

Independent: Yes

Helen was appointed to the Board in April 2021 as an independent Non-executive Director.

**Experience**

Helen brings with her a breadth of operational and commercial experience having worked within regulated businesses together with her broader infrastructure experience developed across telecoms, leisure and banking. As a member of the UK Board, Helen was instrumental in delivering HomeServe’s future growth strategy and ensuring a sustainable, customer-focused business. As an experienced finance professional, Helen was previously Chief Financial Officer for Openreach, part of BT Group plc, and has extensive experience of delivering major business transformation across the group. Prior to BT Group, Helen worked in a variety of sectors and organisations such as Bass Taverns Limited, Barclays Bank plc, and Compass Group plc.

**Other positions held**

Chief Financial Officer, Severn Trent plc  
Non-executive Director, Water Plus Group Limited

|                                                                                       |  |
|---------------------------------------------------------------------------------------|--|
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |



**Clive Watson**  
Non-executive Director

A

R

N

S

Independent: Yes

Clive was appointed to the Board in September 2019 and became the Senior Independent Director and Chair of the Audit & Risk Committee in April 2020.

**Experience**

Clive has considerable finance experience, having previously been the Group Finance Director of Spectris plc, Chief Financial Officer and Executive Vice President for business support at Borealis, Group Finance Director at Thorn Lighting Group and held a variety of finance roles at Black & Decker. In 2019, Clive retired as a Non-executive Director of Spirax Sarco Engineering plc, where he was Chair of the Audit Committee and Senior Independent Director.

**Other positions held**

Non-executive Director, discoverIE Group plc, Chair of Audit & Risk Committee  
Non-executive Director, Kier Group plc, Chair of Risk Management & Audit Committee  
Non-executive Director, Trifast plc, Senior Independent Director and Chair of Audit & Risk Committee

|                                                                                       |  |
|---------------------------------------------------------------------------------------|--|
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

## Corporate governance statement

# The Board continues to support our growth and success through robust governance practice

Having completed its first full year as a main market-listed company in 2024, the Board has now settled into a routine of regular reviews of governance matters, including Board policies and the various Committee terms of reference. I am pleased to report that, following our internal review of Board and Committee performance, we believe that we have continued to support the Group and our colleagues through robust governance practice. For 2025, we report formally against the FRC Corporate Governance Code published in 2024, with the exception of Provision 29, which applies to the Company from 1 January 2026. Despite not applying to us in 2025, we have made good progress to ensure our ability to comply with Provision 29.

### Amit Bhatia

Non-executive Chair  
11 March 2026

[More detail](#)

»59

## On the Board's mind...



### Health and safety

Reflecting our main priority to send our colleagues Home Safe and Well, the Board considers the health and safety of our people at the start of every scheduled Board meeting.

[More detail](#)

»85

### Driving growth through further acquisitions

The Board maintains a strong appetite for growth through acquisition. It supported the acquisition of Lionmark to drive Breedon's US revenue, increasing vertical integration and diversifying our US product offering into asphalt and surfacing.

[More detail](#)

»32

### Structuring the business for success

The move to a country-based management structure to reflect the geographical operating profile of the Group was supported and monitored by the Board.

[More detail](#)

»28



### Understanding cyber risks and resilience

In light of the evolving cyber threat landscape and several high-profile cyber incidents in the UK during 2025, the Board strengthened its oversight of cyber risks and resilience. It also reviewed the Group's insurance cover to mitigate likely financial exposure, manage risk and support business continuity.

[More detail](#)

»101



### Board succession

During the year, the Nomination Committee has focused on the succession of the Chair and the SID. This is in recognition of both (i) Amit Bhatia having served on the Board for more than nine years from the date of his first appointment and (ii) Clive Watson being due to reach nine years' tenure also in 2028.

[More detail](#)

»121

### Enabling growth through financial resilience

The Board endorsed the strengthening of Breedon's financial resilience through the issue of an additional €95m USPP to finance the Lionmark acquisition and the extension of our RCF to 2029.

[More detail](#)

»47



## Board in action

# The Board held six scheduled meetings during the year together with one site visit, a strategy day and Board update calls

The attendance of members of the Board and Committees is set out on page 103. If the Board needs to make decisions between meetings, it can do so through unanimous approval by email. However, it will only do so in such situations where the matter has been discussed at previous meetings so that directors are fully appraised, have had the opportunity to ask questions and are therefore in a position to make a fully informed decision.

The Board has delegated certain aspects to Board Committees, details of which can be found on pages 114 to 125 and 132 to 148.

The Board held various dinners throughout the year, some of which were exclusively for non-executive directors and some of which included the whole Board, the Executive Committee and their leadership teams. No decisions are made at dinners. These

present the Board with the opportunity to discuss matters impacting the business in an informal manner and provides the opportunity to engage with colleagues outside the workplace setting.

The non-executive directors meet without the executive directors being present either as part of a Committee meeting or prior to each Board meeting. On a regular basis, individual members of the Executive Committee and leadership team are invited to attend meetings to present on strategic or operational matters.

The Board received training during the year, including presentations from the business on operational and strategic objectives together with external subject matter experts.

## Key topics for the Board

### Strategy

- Strategic plan reviewed
- Acquisitions
- US strategy
- External adviser strategy presentations
- Approval of contracts

### Financial

- CFO reports on financial performance
- Budgets and forecasts
- USPP funding
- Revolving Credit Facility extension
- Joint corporate broker appointment
- Final and interim dividend
- Going Concern and Viability Statement
- Assessment of fair, balanced and understandable reporting
- Investor relations reports and interactions
- Annual results
- Annual Report and Accounts
- AGM trading statement
- Interim results
- November trading statement

### Operational

- Presentations on land and minerals strategy for Ireland; wellbeing and occupational health; environmental compliance; investor relations strategy
- Board visit to Belfast tile plant and bitumen terminal
- CEO reports on operational activity
- Modern Slavery Statement

### People and organisation

- Health, safety and wellbeing reports
- People strategy
- New country-based management structure
- Succession planning
- Talent management
- Colleague engagement and culture
- Remuneration, incentives and share awards
- New share scheme proposals

### Sustainability

- Sustainability strategic objectives and targets
- ESG performance

### Training

- Cyber risks

### Risk and governance

- Principal risks review
- Board performance review
- Legal and litigation updates
- AGM
- Insurance review
- Whistleblowing reports
- Board succession and dynamics
- Matters Reserved to the Board and Committee terms of reference
- Declaration of interests
- Board policies

Board in action

Board activity in 2025

January

Board meeting  
Audit & Risk Committee  
Nomination Committee  
Remuneration Committee  
Belfast tile plant and Bitumen terminal site visit

March

Board meeting

July

Board meeting  
Audit & Risk Committee

November

Board meeting  
Audit & Risk Committee  
Remuneration Committee  
Sustainability Committee

February

Audit & Risk Committee  
Nomination Committee  
Remuneration Committee  
Sustainability Committee

April

Board meeting  
Remuneration Committee  
Annual General Meeting

June

Strategy Day  
Nomination Committee

September

Board meeting  
Sustainability Committee

December

Board call

## Culture and colleague engagement

# How the Board engaged and assessed culture in 2025



### 👉 DNED for Workforce Engagement

Pauline Lafferty continued in her role as DNED for Workforce Engagement. During 2025, she met with colleagues in Ireland face-to-face and held separate focus groups for senior leaders across the Group.

These sessions explored key challenges and opportunities and how leaders can engage effectively to support organisational success. Further sessions with colleagues across the Group are planned for 2026 to continue engagement and collaboration.

The meetings continue to provide an insight to culture across the Group.

### Workforce policies and ways of working

The Board and its Committees reviewed various policies in the year which aim to have a positive impact on colleagues. These policies, such as the Diversity and Inclusion Policy, and Health, Safety and Wellbeing Policy, are monitored and reviewed annually. In addition, there is a range of mandatory e-learning modules in place, to ensure that colleagues act in a way that supports behaviours that underpin the Company's values.



### 👉 Informal engagement

The Board have held several dinners or lunches during 2025 where colleagues were invited to participate in discussions with members of the Board in an informal setting. The Board sees these events as an important way to connect with colleagues where no prescribed questions or topics are discussed, which therefore allows an unrestricted flow of information either way.

### 👉 Engagement survey

The annual survey is an opportunity for the Board to gain an insight into the views of colleagues across the Group. The Board reviews the results of the survey, which enables them to understand how engaged our colleagues are and to receive valuable feedback on what our colleagues think works well and the areas that need to be improved. The data provides a comparison with the previous year and our peers. In 2025, our colleague engagement score was 77%.

Colleague engagement

»77

### Board reporting

The Board receives regular reports providing an oversight of culture, which recognises the importance and benefits of clear and embraced values to the workplace experience. The Board acknowledges the importance of monitoring culture together with its role to influence and ensure that policy, practices and behaviour throughout the entire organisation are aligned with the Group's purpose, values and strategy.



### 👉 Site visits

The Board undertook one site visit in the year. In January, it visited the Belfast tile plant and bitumen terminal.

The Board embraces the opportunity to undertake site visits to engage with colleagues in their own workplace whilst also observing and gaining an understanding of their roles within the business.



## Culture and colleague engagement

# The culture of an organisation drives behaviour, and the Board seeks to ensure that the right culture is in place to achieve our goals



## Culture is important to the Board

All colleagues are expected to maintain an appropriate standard of conduct in all of their activities, and the directors seek to set the tone for such behaviour through their own actions.

To promote a common culture across the organisation, we have defined a clear purpose and set of values that support the successful delivery of our strategy. Led by the Board and Executive Committee, our purpose is 'to make a material difference to the lives of our colleagues, customers and communities' and it aims to create a workplace where people feel safe, proud and motivated to do their best.

Our purpose is underpinned by our values:



These values were formally introduced at the beginning of 2020 following collaboration across our workforce to ensure they were relevant to, and resonated with, our people. The values are now an integral part of our ethos and an established way of working together to ensure long-term success.

These principles create a culture of trust, integrity, and accountability that supports growth and success. This is maintained through our leaders, embedding values and behaviours in all learning interventions, and colleague engagement.

Our people are one of our greatest assets and our number one goal is simple: everyone goes Home Safe and Well. This goal is supported by our Five Alive Rules: lead by example; challenge others; use correct equipment; observe safety control measures; and arrive fit for work.

Breedon remains focused on being a great place to work. At the heart of this is nurturing a culture of respect; valuing colleagues for who they are and the individual experience and perspectives they bring to Breedon. This is achieved by creating a sense of team and investing in colleagues so they have the opportunity to grow, learn and be the best they can be.

Our colleagues' wellbeing continues to be paramount, and we have continued to 'show that we care' when it comes to all aspects of health, safety and wellbeing.

Support, guidance and training is provided for the physical and mental wellbeing of our colleagues through the Employee Assistance Programme. Access to financial wellbeing webinars is provided, covering debt and budgeting, scams and frauds, and pensions. Our partnership with Lighthouse, the construction charity, provides vital emotional, physical and financial support to individuals in the construction sector to help them through times of need and promote resilience across the community. The Group provides share schemes for all eligible colleagues to save into together with a holiday purchase scheme for our GB and Ireland colleagues. We support colleagues with technical and professional qualifications, funded through our apprentice levy and business sponsorship.



## Engaging with shareholders

**The Board is committed to maintaining regular dialogue with our shareholders and market participants, supporting a comprehensive programme of investor relations activity**

### Economic driver

We encourage clear and transparent communication to promote a full understanding of Breedon's business model, strategy and end-markets. The programme includes direct Board engagement through the Chief Executive Officer and Chief Financial Officer, with Chair and Senior Independent Director participation upon request. All directors are available to meet with shareholders at our AGM.

The Board receives regular reports providing updates on key market events and share price performance, shareholder engagement and register analysis, analyst forecasts and recommendations, market updates and investor relations activities. Investor and market participant feedback are shared with the Board and contribute to the strategic decisions taken by the Board.

### Meeting activity

In 2025, in light of the challenging end-markets and volatile economic landscape, we continued with and further developed our programme of shareholder engagement.

During the year we met with nearly 400 investors, analysts or potential shareholders during more than 200 meetings, increases of over 50% and 30% respectively. Once again we extended our overseas engagement, attending investor conferences in the US and Europe.

Members of the Board took the opportunity to meet with our shareholders at the AGM. In addition the Senior Independent Director carried out engagement with investors in January 2025 regarding the Chair's tenure ahead of the resolution for the Chair's re-election at the AGM in April 2025.

Engaging with shareholders

Top questions

How are end-markets performing?

Our primary markets, infrastructure and housebuilding, are supported over the long-term by structural growth drivers.

Macroeconomic headwinds, major project deferrals and poor weather conditions have presented challenging trading conditions in the near-term.

However, enquiry levels remained healthy, particularly with regard to infrastructure, and there are some signs our markets are stabilising.

Market review

»16

How have volumes and pricing responded to macroeconomic volatility?

Resilient infrastructure spending underpinned aggregates and asphalt volumes which were broadly stable.

Cement and ready-mixed concrete volumes declined, primarily due to the soft housebuilding market in GB.

Following four years of declining volumes, pricing came under pressure in GB as the year progressed.

Pricing was broadly sustained in Ireland and the US.

Chief Executive Officer's review and outlook

»28

Operating reviews

»36

What is your strategy to grow the US business?

In March we expanded and diversified our US business with the acquisition of Lionmark, a provider of asphalt and surfacing solutions in Missouri and the surrounding states.

In the coming years we will continue to build out our US platform within Missouri and the surrounding states. As we grow our aggregates-led footprint, maximising the vertical integration potential of our mineral assets will remain a high priority.

Chief Executive Officer's review and outlook

»28

What are your priorities for capital deployment?

Our highly cash generative model supports multiple capital allocation options.

We will continue to prioritise M&A alongside organic capital investment and progressive dividend payments. Should Covenant Leverage reduce towards the lower end of our target range, and limited opportunities to deploy capital were available to the Group, we will give further consideration to all routes to return surplus capital to shareholders, including the repurchase of shares.

Chair's statement

»12

Chief Executive Officer's review and outlook

»28

## Engaging with shareholders

# Over 200 meetings with more than 400 shareholders

### January

RBC UK focus conference

Deutsche Numis UK and Ireland conference

### April

Davy Peel Hunt Frankfurt conference

Q1 trading update  
AGM

### June

Peel Hunt FTSE 250 conference

### September

Investor roadshow; London, virtual

### November

Investec UK conference

Ten-month trading update

Goodbody Annual Equity Conference

Interim dividend paid

### March

2024 Annual Results

Investor roadshow; London, virtual

Berenberg UK corporate conference

### May

Final dividend paid

UBS Pan-Europe Small and Mid-cap conference

Berenberg European Conference Manhattan

### July

Investor site visit (Cloud Hill)

2025 interim results

Investor roadshow; London, virtual

### October

Redburn Atlantic UK conference

### December

Berenberg European conference

## Audit & Risk Committee report



### // The Audit & Risk Committee remains focused on maintaining high standards of financial governance and risk management.

**Clive Watson**  
Chair, Audit & Risk Committee

#### Roles and responsibilities of the Audit & Risk Committee



Click or scan to see the terms of reference

### Key responsibilities

During 2025, I chaired the Audit & Risk Committee meetings, other than the January 2025 meeting, which was chaired by Helen Miles in my unavoidable absence.

The Committee monitors the integrity of the Group's financial statements and ensures that the interests of shareholders are properly protected in relation to financial reporting, internal control and risk management.

Throughout the year, the Committee keeps under review the effectiveness of the internal control and risk management framework alongside the wider compliance environment operating within the Group, which includes the Group's whistleblowing arrangements. Whistleblowing reports and any actions taken were reviewed several times during the year.

The Committee consults with KPMG, as the Group's external auditor, on the scope of their work and reviews all major points arising and conclusions drawn from the external audit. We make recommendations to the Board in respect of the appointment of the external auditor, review and monitor their independence and objectivity, and approve their remuneration.

We oversee the Group's outsourced internal audit function which reports directly to the Committee and has responsibility for appointing the Head of Internal Audit, approving the annual internal audit plan, reviewing key outputs from internal audit reviews and assessing the performance of the function.

The Committee has relevant financial experience at a senior level as set out in the biographies on pages 104 and 105.

In summary, I am satisfied that the Committee has discharged its responsibilities with diligence and independence, and that the Group's control environment remains sound. We will continue to monitor developments in governance, reporting and risk to ensure that Breedon maintains the high standards expected by our shareholders and stakeholders.

**Clive Watson**  
Chair, Audit & Risk Committee  
11 March 2026

### Key activities in 2025

#### January

- received an update on cyber security risk;
- received an update on fraud prevention; and
- reviewed risk disclosures for the 2024 Annual Report.

#### February

- reviewed the 2024 Annual Report, including:
  - significant accounting issues, management judgements and disclosures;
  - Going Concern and Viability;
  - fair, balanced and understandable reporting;
  - risk disclosures;
  - the Audit & Risk Committee Report;
  - KPMG's findings from the 2024 audit and their independence as external auditors; and
  - reviewed the quantum and timing of the final dividend.
- reviewed the internal audit progress report; and
- reviewed risk and control reporting.

## Audit & Risk Committee report

### July

- reviewed the interim financial statements, including interim risk disclosures, interim dividend and any significant accounting issues or management judgements;
- reviewed preliminary accounting conclusions regarding the Lionmark transaction;
- received an update on the findings of internal control reviews;
- reviewed internal audit progress report;
- received a progress update related to Provision 29 of the UK Corporate Governance Code;
- reviewed the effectiveness of the external auditor and
- received a half year update from KPMG.

### November

- reviewed the external audit plan and strategy for 2025;
- approved KPMG's external audit engagement letter, 2025 fees and received their confirmation of independence;
- reviewed and approved the non-audit services policy;
- reviewed the approach taken to changes in segmental reporting arising from the corporate restructure including the allocation of goodwill;
- received a progress update related to Provision 29 of the UK Corporate Governance Code;
- reviewed the effectiveness of the Group's risk management and internal control framework;
- reviewed and approved for disclosure the Group tax strategy;
- conducted the annual review of the effectiveness of internal audit;
- received an update on progress against the internal audit plan and findings of internal control reviews;
- reviewed the terms of reference and effectiveness of the Committee; and
- agreed the internal audit plan for 2026.

## Significant accounting matters

The Committee has reviewed key accounting matters, judgements and disclosures related to the Group's 2025 financial statements, with goodwill impairment testing and accounting for intangible assets and goodwill in Lionmark being the most significant.

These issues were examined in detail with management and the external auditors. The Committee challenged assumptions and sought clarification where needed.

A comprehensive report from the external auditor was received, outlining their procedures and conclusions, and all significant findings were thoroughly discussed.

In previous years a key audit risk for the Group has been the accounting treatment of restoration provisions. Following changes made in 2025 to simplify the calculation and reduce the degree of estimation uncertainty inherent in the provision, management have concluded that restoration provisions no longer constitute a key financial reporting risk. KPMG reported the same to the Committee.

The information contained in the following table should be considered together with KPMG's independent external audit report on pages 154 to 163 and the accounting policies disclosed in the notes to the financial statements as referenced in the table.

## Audit & Risk Committee report

| Area of focus                                       | Audit & Risk Committee review                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Conclusions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Impairment of goodwill – Key Audit Risk</b>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| See note 9 to the consolidated financial statements | <p>The Group has £564m of goodwill arising from acquisitions. This is not amortised but is reviewed for impairment on an annual basis, or more frequently if there are indications that the goodwill may be impaired.</p> <p>The recoverable amounts for each segment to which goodwill has been allocated are calculated by determining the value in use of each segment, based on the net present value of projected cash flows, with the most significant judgements being the forecast financial performance, longer-term growth rates and discount rates.</p> <p>The Audit &amp; Risk Committee was presented with a written report from management setting out the basis of the calculation, support for the key assumptions used alongside a sensitivity analysis to quantify the impact of possible changes to those assumptions. This report included detail on the judgements made about the impact of climate change on forecast financial performance in the impairment review.</p> <p>The Committee noted that, in light of GB market conditions, management had carried out additional sensitivities in relation to the GB CGU. The Committee further noted that the impact of reasonably possible changes in key assumptions had been assessed and that the outcome was that there would be no impairment in respect of any of the Group's CGUs. The Committee were presented with the disclosures outlined in note 9 of the consolidated financial statements and concluded that these were appropriate.</p> | <p>The Committee noted that key judgements were reasonable and that management continues to utilise an external expert to calculate discount rates.</p> <p>The impact of climate change and the associated disclosures, particularly in respect of the cement plants in Hope and Kinnegad, was reviewed and considered by the Committee to provide a balanced presentation of the risk of future impairments against a backdrop of significant current uncertainty.</p> <p>The Committee were satisfied that no impairment of goodwill was necessary, and that the disclosures in the financial statements were appropriate.</p> |

| Area of focus                                                                     | Audit & Risk Committee review                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Conclusions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Accounting for intangible assets and goodwill in Lionmark – Key Audit Risk</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| See note 25 to the consolidated financial statements                              | <p>During the year, the Group completed the acquisition of four entities for a combined consideration payable of £175.8m of which the most material was the acquisition of Lionmark in March 2025.</p> <p>The Audit &amp; Risk Committee reviewed and discussed, with both management and the external auditor, a paper prepared by management setting out the process followed to identify the intangible assets, the basis of the fair value of these assets and the assigned useful economic lives.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>The Committee was satisfied that the intangible assets identified as part of the acquisitions are appropriate and have been accounted for in line with the applicable accounting standards</p> <p>The Committee noted that the assumptions used in the valuation of the assets were determined on a consistent basis to historical acquisitions.</p>                                                                                                                                    |
| <b>Identification of non-underlying items</b>                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| See note 3 to the consolidated financial statements                               | <p>The identification and presentation of certain items as non-underlying on the face of the consolidated income statement requires management to apply judgement in identifying and appropriately disclosing these items.</p> <p>The Committee noted that, in 2025, total non-underlying items before interest and tax had increased by £10.8m to £34.9m, primarily driven by higher amortisation of acquired intangibles linked to the full year impact of BMC and the acquisition of Lionmark. The Committee noted that a new sub-category of cement decarbonisation costs had been included in the disclosure for 2025 and that, as in previous years, profits generated on the disposal of property had been accounted for as non-underlying.</p> <p>The Committee evaluated the policy, presentation and judgements of those items presented as non-underlying and the associated disclosures in the notes to the financial statements. The Committee challenged management as to how they had concluded that items should be classified as non-underlying.</p> | <p>After review the Committee concluded that the non-underlying items identified by management were appropriately disclosed and that this presentation provides stakeholders with useful additional understanding of business performance by reflecting the way in which the business is managed.</p> <p>The Committee noted that the treatment of such items was consistent over time and were clearly disclosed in the accounts with reconciliations provided to statutory measures.</p> |

## Audit & Risk Committee report

| Area of focus                                               | Audit & Risk Committee review                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Conclusions                                                                                                                                                                                                                                         |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Accounting impact of climate change</b>                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                     |
| See notes 9 and 26 to the consolidated financial statements | <p>Climate change has been identified by the Group as a principal risk, and both the physical and transitional risks posed by climate change could affect accounting judgements made in preparing the financial statements.</p> <p>The Committee was presented with a paper from management which assessed the potential impact of climate change on the financial statements. After discussion the Committee concluded that the judgements made by management concerning the impairment of non-current assets had the potential to materially impact the financial statements, due to the uncertainty surrounding the costs involved to transition to net zero by 2050.</p> <p>The Committee reviewed this disclosure as a key accounting judgement in the financial statements.</p> | The Committee was satisfied that the potential impact of climate change had been appropriately considered in preparing the financial statements, and that the disclosure fairly reflected the nature of the risk and judgements made by management. |

| Area of focus                                        | Audit & Risk Committee review                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Conclusions                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Alternative performance measures</b>              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                |
| See note 27 to the consolidated financial statements | <p>The Group utilises several alternative performance measures (APMs) which are used to manage the business through the year and are disclosed in the report and accounts. Care is exercised to ensure that the use of these measures aligns with the Group's responsibility to produce an Annual Report that is fair, balanced, and understandable.</p> <p>Specifically, these measures are calculated on a consistent and transparent basis over time and are given no greater prominence than the corresponding statutory measures.</p> <p>The Committee reviewed the application and presentation of these measures throughout the Annual Report, together with the full reconciliations to statutory measures set out in note 27 of the consolidated financial statements.</p> | <p>The Committee was satisfied that the use of APMs enhances the Group's reporting by providing additional information of value to users of the accounts.</p> <p>The Committee further concluded that these APMs were consistently calculated and have been presented fairly together with full reconciliations alongside the relevant statutory measures.</p> |

### Going Concern and Viability

|                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| See note 1 to the consolidated financial statements and the Viability Statement on page 60 | <p>At each reporting date the Group assesses whether it remains appropriate to prepare accounts on a Going Concern basis and makes a statement on its longer-term viability as part of its risk reporting.</p> <p>At both the half and full year the Committee reviewed a paper outlining management's rationale for concluding that the Group remains a Going Concern. This included an overview of available borrowing facilities, the Group's profit and cash generation, and a sensitivity analysis presenting a 'severe but plausible' downside scenario. At the full year the Going Concern assessment was also discussed with the external auditor.</p> <p>The Viability Statement drafted for inclusion in the 2025 report and accounts was reviewed alongside a supporting paper from management, which incorporated both a base case and a downside scenario covering the three-year period addressed in the statement.</p> | <p>The Committee recommended that the Board adopt the Going Concern assumption and approved the Viability Statement.</p> <p>The Committee was satisfied that the disclosure in the "Basis of Preparation" note to the financial statements included all factors relevant to users of the accounts.</p> |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Audit & Risk Committee report

### Fair, balanced and understandable assessment

In line with the UK Corporate Governance Code, the Committee undertook a thorough review to assess whether the 2025 Annual Report is fair, balanced and understandable. In forming its view the Committee considered:

- various materials prepared by management covering the Group's approach to risk management and internal controls, going concern and assessment of long-term viability;
- accuracy, integrity and consistency of messages contained in the Annual Report, together with the level of detail and balance contained in narrative reporting; and
- the degree of correlation between judgements and estimates made by management and their associated disclosures, together with reconciliations between statutory results and APMs.

Having taken into account the factors above, together with the views of KPMG and internal audit, the Committee recommended to the Board, and the Board subsequently confirmed, that the Annual Report and Accounts, taken as a whole, were fair, balanced and understandable, and provided sufficient information for shareholders to assess the Group's position, performance, business model and strategy.

### External auditor

KPMG has an independent reporting line to the Committee and attended all Committee meetings held in 2025. At these meetings, the Committee met KPMG without the executive directors being present to provide a forum to raise any matters of concern in confidence.

The Committee discussed and agreed the scope of the audit plan with KPMG, and subsequently reviewed their findings, covering the control environment in the Group, key accounting matters and mandatory communications. During 2025 KPMG proposed a change to the benchmark used in calculation of materiality for external audit purposes. The Committee reviewed and challenged KPMG's methodology and concluded that the proposed change would continue to provide the Group with an appropriate level of materiality and assurance over the Annual Report.

The Committee considers the effectiveness of KPMG's audit on an annual basis, including consideration of the standard of KPMG's formal communication around audit strategy and findings, ad hoc engagements throughout the year and the feedback which is provided by management following an internal survey of relevant stakeholders.

The Committee remains satisfied with the quality of the audit provided by KPMG and that they remain objective and independent.

KPMG, either directly or via KPMG Channel Islands Limited, has acted as auditor to the Group since its formation in 2008, with the audit last subject to a full competitive tender in 2019. The lead audit partner is Anna Barrell, whose appointment was effective from the year ended December 2023. The Committee confirms compliance with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014, as published by the UK Competition and Markets Authority.

KPMG did not provide any non-audit services during the year.

### Internal audit

RSM continue to provide an outsourced internal audit function to the Group. RSM are independent of management and the Head of Internal Audit, provided by RSM, reports directly to the Chair of the Committee.

The 2025 internal audit plan was completed in line with the plan approved by the Committee, which received reports from RSM on the outcome of those reviews and regular updates on actions taken in addressing issues previously identified.

RSM attended the Audit & Risk Committee meetings held during the year. At these meetings, the Committee met RSM without the executive directors being present to provide a forum to raise any matters of concern in confidence.

The internal audit plan for 2026 has been approved and includes reviews covering our recently acquired Lionmark business in the US, and cyber security controls alongside a range of other financial and non-financial processes, a number of which include material controls. Reflecting the maturity of the Group's internal audit approach, the Committee requested that the plan for 2026 and future years incorporate a review of the implementation of recommendations from those internal audits undertaken three years previously.

During the year, the Committee undertook the annual assessment of the performance of the function. An internal survey was sent out to relevant stakeholders who had worked with RSM, with feedback obtained against a balanced scorecard of criteria which included technical ability, business understanding, effective communication, process management and the quality of audit reporting. The Committee concluded that it remained satisfied with the work performed by RSM and that the internal audit function was effective.

## Audit & Risk Committee report

Recommendations made by the Chartered Institute of Internal Auditors as part of the 2024 EQA, commissioned by the Committee to assess the Group's internal audit arrangements, have been addressed in the year. These build upon the conclusion issued by the Institute in 2024 that Group's internal audit function was effective and that the Group's internal audit arrangements conform with the International Professional Practices Framework.

### Risk management and internal control

The Audit & Risk Committee monitors the effectiveness of the Group's risk management and internal control systems, through the following processes:

#### — The Executive team:

- reports to the Board on changes in the business and external environment which present significant risks, including emerging risks and trends;
- provides the Board with monthly trading and financial information and comparison versus KPIs;
- regularly informs the Board on changes to the competitive landscape; and
- performs a review at least twice a year of the principal risks and mitigations identified by management through the risk management processes.

#### — The Audit & Risk Committee:

- receives regular reports on significant legal, ethical, compliance and insurance matters from the Group General Counsel, including summaries of any reports received through the Group's whistleblowing hotline;
- approves the Group risk management and internal control framework, which sets out the governance, risk assessment policies and processes, for their review and approval;
- receives formal reporting from the Head of Risk and Control on the risk review processes followed and the outcome of the formal risk reviews which form the basis of the principal and emerging risks reporting;
- reviews progress updates from the Head of Risk and Control covering control remediation actions, progress against the internal audit plan and reviews both the financial controls framework implementation and risk management activities;
- receives an update on the outcomes from the annual self-certification process for our key financial controls against the agreed minimum standards, as defined in the Breedon Financial Controls Manual, and is provided a summary of the results of the second-line testing performed against the agreed minimum standards;
- reviews reports from the internal auditor concerning the design, implementation and operating effectiveness of internal controls across the Group's operations, including IT and cyber security controls. This reporting covers both the scope and findings of reviews, actions agreed with management as well as the progress made by management to address any actions;
- receives regular reports from KPMG, which includes findings on risk and internal controls arising from their work. Subsequent updates on issues identified by KPMG are reported to the Audit & Risk Committee;
- reviews and approves significant financial accounting policies for their review and approval; and
- receives updates from the Head of Risk and Control and the Group Head of Information Security regarding the Group Fraud Risk Management and the Information and Security governance framework.

The Committee completed its annual review of the effectiveness of the Group's internal control and risk management framework, concluding that this remained effective.

### UK Corporate Governance Code Provision 29

The Group will report in 2027 on the revised Provision 29 of the UK Corporate Governance Code for the first time. The Committee has oversight of the Group's preparations to ensure compliance, and received regular updates on the Group's readiness activities from the Head of Risk and Control throughout 2025.

### Whistleblowing

The Group has adopted a whistleblowing policy which, together with our confidential whistleblowing helpline, gives colleagues or any other third party the means to raise concerns in confidence and, if they wish, anonymously.

The Chair of the Committee is notified of whistleblowing notifications as they are raised, where appropriate. The Committee regularly reviews reports on all notifications received and ensures that arrangements are in place for the proportionate and independent investigation of such matters and for follow-up action.

Based on these insights, we concluded that the Group's arrangements for raising and investigating concerns confidentially while ensuring anonymity and without fear of retaliation remain appropriate and effective.

## Audit & Risk Committee report

### Committee effectiveness

The Committee believes that it has been effective in 2025. An internal performance review of the Committee was carried out in 2025 (see page 119).

The Committee was quorate for all four meetings it held and was supported by the Group Chief Financial Officer, Group Financial Controller and the Head of Risk and Control. All members of the Committee were in attendance at the AGM in 2025 and were available to talk to shareholders.

### Areas of focus for 2026

The key areas of focus heading into 2026 include:

- continuing to challenge the Executive Team regarding the development of the Group's control environment;
- ensuring that the Group is in a position to make a declaration in the 2026 Annual Report regarding the effectiveness of material controls in accordance with Provision 29;
- concluding the proposed timeline for the Group's external audit tender; and
- oversight of any reporting changes required under IFRS 18 Presentation and Disclosure in Financial Statements.

#### Clive Watson

Chair, Audit & Risk Committee  
11 March 2026

## Nomination Committee report



**The Nomination Committee ensures that the Board and the Executive Committee have the necessary skills and experience to be effective and bring sufficient challenge to lead a successful organisation.**

**Amit Bhatia**  
Chair, Nomination Committee

**Roles and responsibilities of the Nomination Committee**



Click or scan to see the terms of reference

### Review of 2025

During the year I chaired the Nomination Committee, except when discussions regarding my independence and the potential extension of my term of office were held. The Committee was quorate for all three meetings and was supported by the Group People Director. Clive Watson did not attend the meeting during which the extension of his appointment for a third three-year term was discussed.

The Committee devoted significant time in 2025 to considering Board succession given both Clive's and my own current three-year terms will conclude in 2028. This included discussions with the executive directors focusing on the skills, experience and knowledge required to support the Company in the execution of its strategy in the future. Consideration was also given to where specialist skills could usefully be represented on the Board and where it was appropriate to rely on expert advisers. The importance of timely appointments to ensure succession could be managed so as to provide fresh insights while also maintaining appropriate continuity was recognised in the further development of the Board's succession plan.

The Nomination Committee keeps under review the size and composition of the Board including its skills, experience and the knowledge of directors. A self-assessed audit of directors' skills and

experience is included as part of the annual Board Performance Review to ensure the Committee's review is accurately informed. The audit also provides a formal opportunity for directors to request additional training where they would like to develop their skills and knowledge in a particular area.

The internal Board Performance Review, which took place in 2025, concluded that the composition of the Board provides a suitably broad range of skills, experience and knowledge. The Committee took into consideration the outcomes of the internal Board Performance Review in 2024 when recommending the extensions to the appointments of both Clive and myself during 2025, and the outcomes of the 2025 Board Performance Review in supporting all directors in their re-election at the AGM in 2026.

Composition, skills and experience of the Nomination Committee

»104

In summary, I am confident that the Board's ongoing commitment to prudent governance and forward-looking succession planning will position Breedon to deliver sustainable growth and long-term value for all our stakeholders.

**Amit Bhatia**  
Chair, Nomination Committee  
11 March 2026

### Key activities in 2025

#### January

- recommended the reappointment of Clive Watson for a further three-year term;
- considered the extension of Amit Bhatia's appointment as Chair;
- discussed the review of the Committee's effectiveness; and
- reviewed the balance of skills on the Board.

#### February

- recommended the reappointment of Amit Bhatia until the end of the AGM in 2028; and
- approved the Nomination Committee report for inclusion in the 2024 Annual Report and Accounts.

#### June

- discussed Board Chair and SID succession;
- considered NED rotation and succession; and
- reviewed executive director succession.

Nomination Committee report

Compliance with the Code

Amit Bhatia completed his third three-year term since his initial appointment to the Board during 2025. The Committee, without Amit present, gave careful consideration to his reappointment as Chair, given the requirements of Provision 19 of the Code. This included shareholder engagement through the SID, as well as consideration of the Chair not being independent on appointment (Provision 9 of the Code). The Committee ultimately recommended to the Board that Amit’s appointment as Chair be extended with his annual re-election being supported up to the AGM in 2028. More details can be found on page 126.

Compliance with the UK Corporate Governance Code

»126

Clive Watson completed his second three-year term in office during 2025. The Committee, without Clive present, confirmed that he continued to provide the Board with valuable skills, experience and knowledge, particularly in his roles as Chair of the Audit & Risk Committee and SID, and that he continued to contribute effectively to the long-term success of the Company. The Committee therefore recommended his reappointment for a third three-year term, subject to annual re-election by shareholders.

Board performance

The internal Board Performance Review that took place in 2024 identified three main areas for the Board and the Nomination Committee to consider. The Board and the Nomination Committee have monitored progress of these areas together with some areas where other suggestions had been made. The table below indicates the progress made against the considerations identified in 2024.

The Board and each of the Committees undertook an internal review of their performance during 2025. Each director considered their own skills and performance and assessed their contribution. It was concluded that all directors continued to contribute effectively. The directors also considered how the Board and the Committees had performed and concluded that they were effective. The results were shared with the Board and each Committee and the main areas for consideration related to information flow and content, strategic discussions and sustainability horizon scanning.

Diversity and inclusion

The Committee considers all recommendations on appointment or reappointment of directors in line with the Board’s Diversity and Inclusion Policy and tenure, together with any skills gaps identified.

The Nomination Committee keeps the composition of the Board, and its diversity, under close review.

As at 31 December 2025, 43% of Board directors were women and two Board directors had a minority ethnic background. The Committee considers the wider benefits of diversity to include age, gender, ethnicity, educational profile and socioeconomic background.

All appointments to the Board are made on the basis of merit, having regard to diversity to allow contribution from a range of views, insights, perspectives and opinions together with the skills, experience, independence and knowledge it can bring to Board decision-making and effectiveness.

The Board confirms that as at 31 December 2025, it met the targets on Board diversity in the UK Listing Rules (UKLR) of at least 40% of the Board directors being women and of at least one individual on the Board being from a minority ethnic background.

| Main areas for consideration from the 2024 internal Board Performance Review                        | Progress made                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Develop the approach to engagement with the business outside formal meetings, including site visits | Site visit and dinner schedules reviewed to ensure exposure for non-executive directors to Group businesses and a cross-section of colleagues. |
| Review the Board and Committee meeting schedule and framework                                       | Forward planners for the Board and Committees developed; meetings scheduled two years in advance.                                              |
| Review the remuneration consultant                                                                  | FIT Remuneration Consultants LLP were replaced as adviser by Ellason LLP.                                                                      |

| UKLR target                                                     | Position as at 31 December 2025 | Outcome | Observation                                                |
|-----------------------------------------------------------------|---------------------------------|---------|------------------------------------------------------------|
| At least 40% of directors are women                             | 43%                             | Met     | Three Board directors were women                           |
| At least one senior Board position <sup>1</sup> held by a woman | 0                               | Not met | No senior Board positions were held by women               |
| At least one director from a minority ethnic background         | 29%                             | Met     | Two Board directors were from a minority ethnic background |

1 Chair, Chief Executive Officer, Senior Independent Director or Chief Financial Officer.

## Nomination Committee report

The following tables set out the information that a listed company must include in its annual financial report under the UKLR in the format in which it must be set out.

|                                 | Number of Board members | % of the Board | Number of senior positions on the Board (CEO, CFO, SID and Chair) | Number in executive management <sup>1</sup> | % of executive management <sup>1</sup> |
|---------------------------------|-------------------------|----------------|-------------------------------------------------------------------|---------------------------------------------|----------------------------------------|
| Men                             | 4                       | 57.1           | 4                                                                 | 7                                           | 87.5                                   |
| Women                           | 3                       | 42.9           | 0                                                                 | 1                                           | 12.5                                   |
| Not specified/prefer not to say | 0                       | 0              | 0                                                                 | 0                                           | 0                                      |

<sup>1</sup> Executive management is defined as the Executive Committee.

|                                                               | Number of Board members | % of the Board | Number of senior positions on the Board (CEO, CFO, SID and Chair) | Number in executive management <sup>1</sup> | % of executive management <sup>1</sup> |
|---------------------------------------------------------------|-------------------------|----------------|-------------------------------------------------------------------|---------------------------------------------|----------------------------------------|
| White British or other White, including minority-white groups | 5                       | 71.4           | 3                                                                 | 8                                           | 100.0                                  |
| Mixed/Multiple Ethnic Groups                                  | 0                       | 0              | 0                                                                 | 0                                           | 0                                      |
| Asian/Asian British                                           | 2                       | 28.6           | 1                                                                 | 0                                           | 0                                      |
| Black/African/Caribbean/Black British                         | 0                       | 0              | 0                                                                 | 0                                           | 0                                      |
| Other ethnic group                                            | 0                       | 0              | 0                                                                 | 0                                           | 0                                      |
| Not specified/prefer not to say                               | 0                       | 0              | 0                                                                 | 0                                           | 0                                      |

<sup>1</sup> Executive management is defined as the Executive Committee.

The Board did not meet the target in the UKLR of at least one senior Board position being held by a woman. However, the Board is pleased to confirm that the roles of Chair of the Remuneration Committee and the Sustainability Committee were both held by women. The Board aspires to meet the target of having at least one senior Board position held by a woman and the Committee will consider this as part of the Board's succession plans.

In February 2022 the FTSE Women Leaders Review announced its gender diversity targets for FTSE 350 companies. The targets are for women to comprise 40% of all FTSE 350 boards by the end of 2025 and 40% of leadership teams to be women by the end of 2025 (leadership team is defined as the members of the Executive Committee and their direct reports). As at 31 December 2025, 28% of our leadership team was women.

All colleagues are invited to provide the Group with information regarding their gender and ethnicity when they join, however this is not mandatory. If provided, the gender and ethnicity information for colleagues is entered into the Group's HR Information System. Colleagues can update this information at any time during their employment and are periodically reminded to provide their gender and ethnicity information if they are comfortable to do so.

The directors are asked to provide the same information to the Company Secretary, which is reconfirmed on a regular basis.

Colleagues and the Board are able to self-identify as either male, female or 'other'. For ethnicity, they are asked to self-identify based on the Office for National Statistics ethnicity categories.

### Board Diversity Policy



Click or scan to see the policy

## Focus for 2026

The Nomination Committee will continue to review and explore the succession plan for future non-executive membership of the Board together with consideration of succession and talent management for the members of the Executive Committee and their direct reports.

In line with the Board Diversity and Inclusion Policy, the Committee will support the Board on its journey to increase diversity with the objective of meeting in time the UKLR target of at least one senior Board position being held by a woman.

### Amit Bhatia

Chair, Nomination Committee  
11 March 2026

Sustainability Committee report



//  
**The Sustainability Committee continues to support the Board in providing oversight of our sustainability impact and climate-related responsibilities.**

**Carol Hui, OBE**  
Chair, Sustainability Committee

Review of 2025

Throughout the year I chaired the Sustainability Committee, with membership comprising a majority of independent non-executive directors, as required by the Committee’s terms of reference. The meetings in the year were attended by the Group Sustainability Director and Group People Director who both have a standing invitation to attend.

The Committee made recommendations on its terms of reference and reviewed its performance in the year, concluding that the Committee had been effective.

We were quorate for all three meetings held in 2025 and members were available to speak to shareholders at the AGM in 2025.

Composition, skills and experience of the Sustainability Committee

»104

The Committee has continued to develop and monitor the Board’s corporate sustainability targets and key performance indicators. During 2025, we received reports on sustainability performance at every meeting to ensure positive progress against the objectives.

During the year, we received reports and reviewed sustainability governance at both Board level and within the businesses. The Committee also reviewed the sustainability risks and opportunities at every meeting as part of monitoring the Sustainability Risk Register. We reviewed the environmental impact and sustainability of the Group’s operations, particularly in relation to those activities where the Company has its most significant climate-related and environmental impacts.

The Sustainability Committee, on behalf of the Board, reviewed and recommended approval of the climate-related disclosures for the 2024 Annual Report and approved a suite of Group-wide sustainability policies.

In relation to remuneration, the Committee considered appropriate sustainability targets for the annual bonus and PSP. We made recommendations to the Remuneration Committee in this regard.

The Committee received presentations providing external views as part of our knowledge-building.

The Committee has received reports at all meetings on stakeholder engagement with regards to sustainability. Aligned with the Company’s promotion of socially responsible values and standards, the Sustainability Committee has continued to support engagement with both external stakeholders and colleagues on key sustainability topics.

Sustainability report

»62

Roles and responsibilities of the Sustainability Committee



Click or scan to see the terms of reference

## Sustainability Committee report

### Key activities in 2025

#### February

- reviewed 2024 performance against sustainability targets;
- recommended sustainability targets for the annual bonus and performance share plan (PSP) to the Remuneration Committee;
- considered sustainability risks and opportunities;
- agreed sustainability disclosures in the 2024 Annual Report and Accounts;
- reviewed the Group's ESG policies and approved a new Human Rights policy;
- received a report on stakeholder engagement and communications;
- discussed investor engagement trends in relation to ESG; and
- received a presentation from Kier Group plc on its sustainability framework and implementation approach.

#### September

- reviewed progress against sustainability strategic objectives and performance targets;
- considered sustainability risks and opportunities;
- received a report on stakeholder engagement and communications; and
- discussed the development of the Group's climate transition plan.

#### November

- reviewed progress against sustainability strategic objectives;
- considered sustainability risks and opportunities;
- reviewed the sustainability management and governance framework;
- received a report on stakeholder engagement and communications;
- recommended revised terms of reference for adoption by the Board; and
- reviewed and agreed focus areas for the Committee for 2026.

### Focus for 2026

The Sustainability Committee will maintain a close understanding of the business and its sustainability priorities by inviting business colleagues to present and discuss sustainability issues. External experts will provide guidance and share learning on sustainability issues that impact us.

We agreed a focus on the following material topics within our sustainability framework:

- Planet: carbon and energy; responsible use of resources including water and waste; and nature and biodiversity;
- People: attraction, development and retention of a diverse, talented workforce; employee volunteering; and community donations and engagement;
- Places: sustainable products, research and development, and collaboration to create innovative products and solutions that help achieve a more sustainable built environment; and
- Principles: health, safety and wellbeing; good governance; quality; ethics and integrity; and stakeholder engagement.

A review of our sustainability materiality assessment will be undertaken in 2026 to support the requirement for the Group to comply with the EU's Corporate Sustainability Reporting Directive.

#### Carol Hui, OBE

Chair, Sustainability Committee  
11 March 2026

## Compliance statement against the Code

# Compliance statement against the Code

The Board is pleased to report that it applied the principles and complied with all provisions of the Code in 2025 with the exception of Provision 9, Chair independence, and Provision 19, Chair tenure.

## Provision 9

The Code recommends that a chair should meet the independence criteria set out in the Code on appointment. Amit Bhatia is not considered to have been independent on appointment to the Board, having been initially appointed as the representative of Abicad Holding Limited (Abicad), a significant Breedon shareholder, pursuant to the terms of a relationship agreement in force at the time of his appointment as Chair.

Accordingly, while the relationship agreement between Abicad and Breedon is no longer in force, Amit Bhatia remains a person closely associated with Abicad and is not regarded by the Board as having been independent on his appointment to the Board as Chair.

## Provision 19

Amit Bhatia has been on the Board since 1 August 2016, meaning he has now served on the Board for more than nine years from the date of his first appointment. This does not comply with Provision 19, which suggests a chair should not remain in post beyond nine years from the date of their first appointment to the Board other than for a limited time to facilitate effective succession planning and the development of a diverse board.

Amit was appointed Chair in May 2019 and so, although he has served on the Board for over nine years, he will only have held the role of Chair for a little under seven years at the time of the AGM in 2026. Amit was appointed as Executive Chair of Hope Construction Materials in 2013, then the UK's largest independent building materials business before it was acquired by the Group in August 2016 (which is when he joined the Breedon Board).

As confirmed last year, Amit Bhatia continues to be a high-calibre Chair. He has an in-depth knowledge of Breedon and the industry having been involved in the business and sector through his prior Executive Chair role at Hope and his experience while at Breedon. He has an important role to fulfil in overseeing the development of our US business following our entry into that market in 2024. Amit brings extensive knowledge of the sector and expertise with regards to strategy and a good track record whilst Chair. He has successfully led the Board through an exceptional period of strong growth through strategic actions, while in recent years the market in GB has softened and through which the Board has navigated market conditions carefully.

During the latter part of 2024 and early 2025, the SID sought formal engagement with shareholders representing over half our issued share capital, during which

their recognition of Amit's experience, commitment and passion for Breedon was expressed. We maintain an open dialogue with investors regarding Amit's tenure.

After detailed Board discussions, led by the SID, and subsequent careful consideration, the Board believes it was in the best interests of all shareholders to extend Amit's term as director and Chair for at least three years, particularly at such an important time in our growth. The Board will therefore be recommending annual re-election of Amit up to at least the AGM to be held in 2028.

The Board continues to have a high regard for Amit Bhatia as Chair and notes that, while technically he is non-independent under the provisions of the Code, in his capacity as Chair he acts at all times as if he were independent. Amit consistently demonstrates clear and objective thought, reflecting his strategic and entrepreneurial approach. He actively promotes constructive challenge and engagement by the Board with the executive directors, the management team and the business.

The Nomination Committee will continue to review all Board roles in relation to succession and, whilst in agreement that Amit Bhatia should remain as Chair, the Nomination Committee will continue to work on succession in the best interests of the Company and our shareholders.



Click or scan to see the 2024 Corporate Governance Code

## Compliance statement against the Code

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Compliance                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1 Board leadership and Company purpose</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                           |
| <p>The Board has collective responsibility for the long-term success of the Company. The Board holds an annual strategy day together with strategic discussions at every meeting. Long-term strategy, divisional strategies and a progressive dividend policy are all considerations of the Board in generating value for shareholders. The Group's strategy and business model and details of the governance arrangements in place that contribute to the delivery of our strategy can be found in the Annual Report. The Board is responsible for leading and governing the Company and has overall authority for the management and conduct of its business, strategy and development.</p> <p>The Board is also responsible for ensuring the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls) and for reviewing the overall effectiveness of systems in place as well as for the approval of any changes to the capital, corporate and/or management structure of the Company. The Board has a governance framework in place, which includes the directors, Board Committees, an Executive Committee and a formal Schedule of Matters Reserved to the Board. The Board is satisfied that during 2025 its responsibilities were met. The Board also has an approved Board Conflicts of Interest Policy and a Related Party Transactions Policy.</p> | <p><b>Principle 1A</b></p> <p><b>Provision 1:</b><br/>Managing our risks and opportunities<br/>»49 to 59</p> <p>Business model<br/>»22 to 27</p> <p>Governance report<br/>»102 to 152</p> |
| <p>The Schedule of Matters Reserved to the Board specifies that the Board is responsible for ensuring that our culture and values are aligned to the Group's purpose, long-term strategy and objectives. Procedures for the regulation of Board conduct are detailed in individual appointment letters. The Annual Report sets out the activities undertaken by the Board with respect to monitoring culture and its approach to investing in and rewarding its workforce.</p> <p>To promote a common culture across the organisation, the Board has defined a clear purpose and set of values that support the successful delivery of our strategy: Expand and Improve. Led by the Board and Executive Committee, our purpose is 'to make a material difference to the lives of our colleagues, customers and communities' and it aims to create a workplace where people feel safe, proud and motivated to do their best. The values at the heart of our business – keep it simple; make it happen; strive to improve; and show we care – drive the performance of the business, motivating and engaging colleagues, building customer loyalty and strengthening our relationship with local communities.</p>                                                                                                                                                                                                                        | <p><b>Principle 1B</b></p> <p><b>Provision 2:</b><br/>Monitoring culture<br/>»109 and 110</p> <p>Directors' Remuneration report<br/>»132 to 148</p>                                       |

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Compliance                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1 Board leadership and Company purpose</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                |
| <p>The Board informs, approves and monitors the strategy for the Group, holding management to account on its delivery. This is supported by a robust internal control and risk management framework, which is overseen by the Audit &amp; Risk Committee. The Annual Report sets out how resources have been used to meet our strategy for the Group and those of the individual businesses. The Board has identified five strategic risks: acquisitions and material capital projects, climate change, markets, land and mineral management, and people, all of which are detailed in the Annual Report.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <p><b>Principle 1C</b></p> <p><b>Provision 1:</b><br/>Managing our risks and opportunities<br/>»49 to 59</p> <p>CEO review and strategy<br/>»28 to 35</p> <p>Operating reviews<br/>»36 to 41</p>                                                                               |
| <p>The Board receives and considers regular updates on the views of shareholders through reports from its brokers and directors following shareholder engagement. Reports from the Head of Investor Relations and analyst notes are reviewed to maintain a broad understanding of varying investor views. The Board, including the Chair and the Committee Chairs, engages with shareholders at the AGM. After each announcement of full and half year results, the CEO and CFO undertake a roadshow to meet investors.</p> <p>In late 2024 and early 2025, the SID engaged with shareholders representing over half of our issued share capital regarding the Chair's tenure. We maintain an open dialogue with shareholders regarding this matter.</p> <p>At the AGM in 2025 there were no resolutions where 20% or more of the vote were cast against a Board recommendation. The voting results were published on our website following our AGM.</p> <p>The Board has appointed Pauline Lafferty as DNED for Workforce Engagement and during 2025 she has undertaken face-to-face sessions with colleagues and senior leaders. In addition, in January 2025, the Board undertook site visits in Ireland, during which all directors met and engaged with members of the workforce.</p> | <p><b>Principle 1D</b></p> <p><b>Provision 3:</b><br/>Engaging with shareholders<br/>»111 to 113</p> <p><b>Provision 4:</b><br/>No AGM votes below 80%</p> <p><b>Provision 5:</b><br/>S172(1) Statement<br/>»97 to 101</p> <p>Engaging with our workforce<br/>»77<br/>»109</p> |

## Compliance statement against the Code

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Compliance                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1 Board leadership and Company purpose</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                          |
| <p>Group-wide policies are reviewed regularly and are accessible to all employees. The Board undertakes an annual engagement survey with all employees and reviews the results to ensure that a supportive and inclusive culture is in place. The Board engages directly with the workforce through site visits and through the DNED for Workforce Engagement.</p> <p>The Group has in place a Whistleblowing Policy for any employee to raise concerns. The policy provides for a confidential process for notification and the arrangement for independent investigation to take place. The policy is monitored by the Audit &amp; Risk Committee and overseen by the Board.</p> <p>The Board has a Conflicts of Interest Policy and all directors declare any potential interest at meetings and provide a list of all external directorships together with any third-party relationships. If a director has any concern regarding the operation of the Board or the management of the Group that cannot be resolved, then any such concern will be recorded in the Board minutes. During the year, the Board determined that there were no relationships that posed any actual or potential conflict.</p> | <p><b>Principle 1E</b></p> <p><b>Provision 6:</b><br/>Engaging with our workforce<br/>»77<br/>»109</p> <p><b>Provision 7:</b><br/>Board of Directors<br/>»104 and 105</p> <p><b>Provision 8:</b><br/>Director appointment letters<br/>»140</p> <p>Board Conflicts of Interest Policy</p> |
| <b>2 Division of responsibilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                          |
| <p>The Chair was not independent on appointment. The Chair does not represent a significant shareholder, however a significant shareholder is a Person Closely Associated with him. The Board is of the opinion that the Chair has acted at all times as if he were independent and demonstrates clear and objective thought.</p> <p>The Chair sets the Board's agenda and the Board is provided with clear, regular and timely information on the financial performance of the businesses within the Group, and of the Group as a whole. In addition, other trading reports, contract performance and market reports and data, including reports on employee-related matters such as health and safety and wellbeing issues, are provided. The Board has approved a Schedule of Matters Reserved to the Board.</p>                                                                                                                                                                                                                                                                                                                                                                                           | <p><b>Principle 2F</b></p> <p><b>Provision 9:</b><br/>Board of Directors<br/>»104 and 105</p> <p>Board in action<br/>»107 and 108</p>                                                                                                                                                    |

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Compliance                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2 Division of responsibilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                    |
| <p>All non-executive directors (excluding the Chair) have been identified by the Board as independent. The Board has a majority of independent directors. No changes to the composition of the Board occurred during the year.</p> <p>There is a clear division of responsibilities between the Chair, SID and CEO. The SID has a particular role to play in relation to the appointment of the Chair and led discussions on this topic with the Board and investors during the year. Each Board Committee has terms of reference agreed by the Board which set out the role, responsibilities and decision-making abilities of that Committee.</p> <p>The Chair encourages and facilitates each director's contribution to ensure that no one individual can dominate the Board's proceedings. All directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational. The SID undertakes an evaluation of the Chair annually and the Board undertakes an evaluation of its performance every year, with this being externally facilitated every third year.</p> | <p><b>Principle 2G</b></p> <p><b>Provisions 10, 11 &amp; 12:</b><br/>Board of Directors<br/>»104 and 105</p> <p><b>Provision 14:</b><br/>Division of responsibilities<br/>»103</p> <p>Corporate governance at a glance<br/>»103</p>                                                                                |
| <p>All non-executive directors have letters of appointment that detail the responsibilities of their role and time expectations. The Chair holds sessions with the non-executive directors without executive directors being present. The Nomination Committee, which is constituted of non-executive directors, has responsibility for recommending to the Board any appointment or removal of directors.</p> <p>Each non-executive director's letter of appointment sets out the commitments expected to discharge their duties. Executive directors are prohibited from taking more than one additional listed directorship, with none of the executive directors holding any such position during the year.</p> <p>All directors undergo an induction on appointment, and training and development is provided as needed.</p>                                                                                                                                                                                                                                                                                         | <p><b>Principle 2H</b></p> <p><b>Provision 13:</b><br/>Nomination Committee report<br/>»121 to 123</p> <p><b>Provision 15:</b><br/>Letters of appointment<br/>»140</p> <p>Schedule of Matters Reserved to the Board<br/>Board of Directors<br/>»104 and 105</p> <p>Nomination Committee report<br/>»121 to 123</p> |

## Compliance statement against the Code

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Compliance                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2 Division of responsibilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                       |
| The Group General Counsel has been appointed by the Board as Company Secretary. He acts as a trusted adviser to the Board and its Committees and ensures there are appropriate interactions between senior management and the non-executive directors. He is responsible for advising the Board on all governance matters and all directors have access to him for advice. The Schedule of Matters Reserved to the Board states that only the Board can appoint or remove the Company Secretary.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Principle 2I</b><br><br><b>Provision 16:</b><br>Schedule of Matters Reserved to the Board                                                                                                                                          |
| <b>3 Composition, succession and evaluation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                       |
| <p>The Board has established a Nomination Committee to which it delegates certain responsibilities. The majority of the members of the Committee are independent non-executive directors. The Chair of the Board is Chair of the Committee, however the terms of reference set out the process for another member to chair the meeting when dealing with the Chair's successor. The Chair was not independent on appointment and has now served on the Board for over nine years. The Chair did not chair parts of the Nomination Committee meeting when discussions took place regarding Chair tenure and succession.</p> <p>The Nomination Committee reviews succession plans for the Board and senior executives together with talent management strategies. The Board has a Diversity and Inclusion Policy.</p> <p>All directors are subject to re-election as per the Company's Articles of Association (the 'Articles') and the supporting reasons for each director's re-election are set out in the Notice of Meeting.</p> | <b>Principle 3J</b><br><br><b>Provision 17:</b><br>Nomination Committee report<br>»121 to 123<br><br>Diversity reporting<br>»122 and 123<br><br>Board Diversity and Inclusion Policy<br><br><b>Provision 18:</b><br>Notice of Meeting |

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Compliance                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3 Composition, succession and evaluation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                         |
| <p>The Board members possess the various skills, knowledge and experience that the Nomination Committee considers requisite for the Board to discharge its responsibilities effectively. At 31 December 2025, the tenure of the Board consisted of one non-executive director in their fourth term (Chair), one in their third term (SID), with the remaining three non-executive directors in their second term. During 2025 the Chair entered his tenth year of service on the Board. The composition and performance of the Board, and the skills and experience of each director, are regularly evaluated, to ensure that they best fit the evolution of the Group's business. The Nomination Committee regularly reviews the succession plan to ensure that, when seeking to recommend new members to the Board, consideration is given to a range of relevant matters including the diversity of its composition.</p> <p>The Board considers that each of the directors brings a senior level of experience and judgement to bear on issues of operations, finance, strategy, performance, governance and standards of conduct. Directors are given regular access to the Group's operations and employees as and when required. Non-executive directors have a wealth and breadth of experience.</p>                                           | <b>Principle 3K</b><br><br><b>Provision 19:</b><br>Board of directors<br>»104 and 105<br><br><b>Provision 20:</b><br>Nomination Committee report<br>»121 to 123                                                                                         |
| <p>The Board regularly reviews its own effectiveness and the Chair is in regular contact with each member of the Board to ensure that any concerns are identified and acted on. The SID undertakes an annual performance review of the Chair, obtaining feedback from the other members of the Board.</p> <p>The Board carries out an externally facilitated Board Performance Review every three years and welcomes input as part of the process from stakeholders outside the Board. The Board also conducts annual internal reviews of its effectiveness during the intervening period. The Board is committed to implementing any suggestions or recommendations that are made to improve its effectiveness. The Board last undertook an external Board performance review in 2023. An internal Board and Committee performance evaluation was undertaken in 2024 and 2025. The outcomes and progress made are summarised in this Annual Report.</p> <p>The Board considers and reviews the requirement for continued professional development and each director is encouraged to reflect on their own individual needs so that training can be provided where appropriate. The Board is also provided with specific development opportunities inside and outside the boardroom, such as the cyber incident simulation conducted during 2025.</p> | <b>Principle 3L</b><br><br><b>Provisions 21 and 22:</b><br>Board performance review<br>»122<br><br>Board in action<br>»107 and 108<br><br><b>Provision 23:</b><br>Nomination Committee report<br>»121 to 123<br><br>Diversity reporting<br>»122 and 123 |

## Compliance statement against the Code

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Compliance                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>4 Audit, risk and internal control</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                           |
| <p>The Board has established an Audit &amp; Risk Committee. Membership solely consists of independent non-executive directors. Two members have recent and relevant financial experience and the Committee, taken as a whole, has competence relevant to the sector. The Chair of the Board is not a member. Terms of reference have been approved which comply fully with the roles and responsibilities set out in the Code.</p> <p>The Audit &amp; Risk Committee manages the relationship with the internal and external audit functions on behalf of the Board, satisfying itself of their independence and effectiveness. On an annual basis, the Committee considers reports on the effectiveness of both the internal and external audit functions. The Committee has adopted a policy on the supply of non-audit services. It has evaluated and considers that the external auditor is independent and is compliant with the Committee's policy on the provision of non-audit services.</p> <p>The Committee also has oversight of the Risk and Control function within the Group together with the Finance function. The Committee is responsible for reviewing the internal controls and risk management systems to ensure the integrity of the financial and narrative statements.</p> | <p><b>Principle 4M</b></p> <p><b>Provisions 24 and 26:</b><br/>Audit &amp; Risk Committee report<br/>»114 to 120</p> <p><b>Provision 25:</b><br/>Audit &amp; Risk Committee report<br/>»114 to 120</p> <p>Viability Statement<br/>»60 and 61</p> <p>Statement of Directors' Responsibilities<br/>»152</p> |
| <p>The Audit &amp; Risk Committee provides advice to the Board as to whether the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy. This responsibility of the Board is presented and confirmed by the Board in the Annual Report.</p> <p>The Annual Report contains disclosures confirming that the Board considers it appropriate to adopt the going concern basis of accounting and how it has assessed the prospects of the Company. The Viability Statement confirms that the directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due. The Statement of Directors' Responsibilities provides details of the director's responsibility for preparing the Annual Report.</p> <p>The Statement of Directors' Responsibilities, Going Concern and Viability Statements are contained within the Annual Report and are approved by the Board.</p>                                                                                                                                                                                                         | <p><b>Principle 4N</b></p> <p><b>Provisions 25 and 27:</b><br/>Audit &amp; Risk Committee report<br/>»114 to 120</p> <p><b>Provisions 30 and 31:</b><br/>Financial statements<br/>»164 to 211</p> <p>Viability Statement<br/>»60 and 61</p>                                                               |

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Compliance                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>4 Audit, risk and internal control</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                |
| <p>The Board is ultimately responsible for the internal control and risk management framework, and for ensuring robust systems are in place for the assessment of principal risks and the emerging risks faced by the Company. The Audit &amp; Risk Committee conducts an annual assessment of those risks, the outcomes of which it reports to and discusses with the Board, together with monitoring the risk management and internal controls. The procedures that the Board has in place to identify emerging risks and how these are being managed or mitigated are disclosed in the Annual Report. The Audit &amp; Risk Committee supports the Board with this responsibility.</p> <p>In compliance with Provision 28 of the Code, the Board confirms that it has carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity.</p> | <p><b>Principle 4O</b></p> <p><b>Provisions 28 and 29:</b><br/>Managing our risks and opportunities<br/>»49 to 59</p> <p>Audit &amp; Risk Committee report<br/>»114 to 120</p> |
| <b>5 Remuneration</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                |
| <p>The Board has established a Remuneration Committee consisting of independent non-executive directors and a Chair who has the requisite experience as set out in the Code. The Remuneration Committee assists in fulfilling the Board's oversight responsibilities relating to the Directors' Remuneration Policy (the 'Policy' or the '2024 Policy') and practices and is responsible for the formalisation of all elements of remuneration for the Chair, the executive directors and the Executive Committee.</p> <p>The Remuneration Committee reviews workforce remuneration policies and the alignment of those incentives and rewards with the culture of the Group. The policies are aligned to our purpose and values and are designed to support the Company's long-term strategic aims.</p>                                                                                                                                                              | <p><b>Principle 5P</b></p> <p><b>Provisions 32 and 33:</b><br/>Terms of reference<br/>Directors' Remuneration report<br/>»132 to 148</p>                                       |

Compliance statement against the Code

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Compliance                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>5 Remuneration</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                       |
| <p>The Remuneration Committee has established remuneration schemes that promote long-term shareholding by executive directors to support alignment with long-term shareholder interests, with share awards granted under the PSP subject to a total vesting and holding period of five years and post-employment shareholding requirements. The Policy will next be put to shareholders for approval no later than the 2027 AGM, following approval last being sought in 2024.</p> <p>The 2024 Policy is aligned with the Company’s culture to drive behaviours consistent with Company strategy, purpose and values, and aims to attract, retain and motivate successfully without paying more than is necessary. Pension contribution rates for executive directors are aligned to those available to the workforce. A proportion of remuneration is performance-related with any such elements structured so as to be transparent, stretching and rigorously applied and to avoid rewarding poor performance.</p> <p>Details of all directors’ service agreements and letters of appointment are detailed in the Annual Report. Both executive directors have a contractual notice period of one year, whether given by the individual or the Company. The Company has regard to the executive directors’ duty to mitigate their loss in respect of contractual rights they would be entitled to receive on loss of office. Non-executive remuneration remains the responsibility of the Board, as specified in the Schedule of Matters Reserved to the Board, and does not include share options or any performance-related elements.</p> | <p><b>Principle 5Q</b></p> <p><b>Provision 34:</b><br/>Directors’ Remuneration report<br/>»141</p> <p><b>Provisions 36, 37, 38, 39:</b><br/>Directors’ Remuneration report<br/>»137 to 140</p> <p><b>Provisions 40 and 41:</b><br/>Directors’ Remuneration report<br/>»132 to 148</p> |
| <p>The Remuneration Committee consists of only independent non-executive directors and a Chair who has the requisite experience as set out in the Code.</p> <p>The Remuneration Committee is supported by an external consultant who provides independent advice and benchmarking and is identified in the Annual Report.</p> <p>Policies are in place to override formulaic outcomes and make provision for the Remuneration Committee to recover or withhold sums or share awards. A summary of the 2024 Policy can be found in the Annual Report.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <p><b>Principle 5R</b></p> <p><b>Provision 35:</b><br/>Directors’ Remuneration report<br/>»145</p> <p><b>Provision 37:</b><br/>Directors’ Remuneration Policy<br/>»137 to 140</p>                                                                                                     |

Directors' Remuneration report

1 Annual statement



//

The Remuneration Committee is focused on ensuring that our approach to remuneration continues to drive Breedon's high performance culture.

Pauline Lafferty  
Chair, Remuneration Committee

Roles and responsibilities  
of the Remuneration Committee



Click or scan to see the terms of reference

This report is comprised of four sections

- 1

»132

**Annual statement** outlines the key items considered by the Committee during the year, including pay outcomes, and our approach to paying directors in 2026.
- 2

»136

**Remuneration at a glance** provides a snapshot of executive directors' pay for the year.
- 3

»137

**Directors' Remuneration Policy** provides a summary of the 2024 Policy with a full copy available on the website and in the 2023 Annual Report.
- 4

»141

**Annual report on remuneration** details the pay outcomes for 2025, sets out additional information on the context in which pay has been awarded, and describes in more detail how we propose to implement our Policy in 2026.

2025 business performance

|                                                            |                                                               |
|------------------------------------------------------------|---------------------------------------------------------------|
| <b>£1,713.8m</b><br>Revenue<br><br>(2024: £1,576.3m)       | <b>24.2p</b><br>Basic earnings per share<br><br>(2024: 28.1p) |
| <b>£278.8m</b><br>Underlying EBITDA<br><br>(2024: £269.9m) | <b>77%</b><br>Colleague engagement score<br><br>(2024: 78%)   |

Dear shareholder

I am delighted to introduce this Directors' Remuneration report for 2025, Breedon's second full financial year as a Main Market company. In 2025, the Committee continued to apply the Directors' Remuneration Policy which received c.97% support by shareholders at the 2024 AGM. At the 2026 AGM, shareholders will have the opportunity for an advisory vote on the Directors' Remuneration Report – we look forward to shareholders' continued support and engagement.

2025 business performance

Breedon faced a challenging year in 2025 with ongoing difficult market conditions and political uncertainty. Despite this, we delivered a resilient performance with another year of Underlying EBITDA growth and very strong cash generation. Revenue grew to £1,713.8m and we delivered an Underlying EBITDA of £278.8m.

Through the acquisition of Lionmark and continued focus on cost discipline, Breedon has been able to partially offset the effects of challenging market conditions. With our continued expansion and balanced exposure to the US and replenishment of key mineral reserves, we have made excellent progress on our Breedon 3.0 strategy this year.

We continue to invest in our colleagues with a focus this year on wellbeing, improving our colleague offering and continuing to upskill our leaders. We are proud to have maintained very strong engagement survey results of 77% overall and 80% for US colleagues, demonstrating their successful integration into Breedon.

## Directors' Remuneration report Annual statement

### 2025 remuneration outcomes

#### Annual bonus

75% of the 2025 annual bonus was based on a sliding scale of Underlying EBITDA targets and 25% on a range of strategic and sustainability objectives.

The range set for Underlying EBITDA was based on outperforming a stretching budget, with full payout requiring outperformance of market consensus at the time targets were set. The Committee also increased the Underlying EBITDA range during the year to reflect the positive impact of the Lionmark acquisition. The delivery of adjusted<sup>1</sup> Underlying EBITDA of £278.2m in 2025 falls between the threshold and target of the bonus range, warranting 13.7% payout of the financial element of the bonus. Excellent progress towards our corporate objectives in 2025 resulted in a payout of 96% of maximum for this element.

The overall bonus payout for 2025 was therefore 51.5% of base salary, of which one-third will be deferred in shares for two years.

The Committee considered carefully whether the annual bonus outcome was consistent with the underlying performance of the business. On balance, the Committee concluded the bonus outcome was a fair reflection of performance, considering the Group financial performance set out above and the excellent progress made on strategic and ESG priorities. As a result, no discretion was applied in the Committee's approval of the outcome.

#### 2023 PSP

Vesting of the 2023 PSP awards was based 50% on Breedon's TSR against the FTSE 250 (excluding investment trusts) over the three-year performance period ending 31 December 2025 and 50% on EPS performance in 2025. Breedon's TSR over the period was above the median of the benchmark, warranting 41.2% vesting of this element. The 2025 Adjusted Underlying Diluted EPS outturn of 31.8p was below the threshold levels, warranting no vesting of this element. Therefore, 20.6% of the 2023 PSP award will vest in April 2026. The Committee believes the PSP outcome is a fair reflection of overall performance over the performance period in the context of a challenging macroeconomic environment and applied no discretion in the determination of the outcome.

#### Annual bonus outcome 2025

|                                                                           | Threshold<br>10% payout | Maximum<br>100% payout | Weighting | % of<br>maximum<br>achieved | % of<br>bonus<br>achieved |
|---------------------------------------------------------------------------|-------------------------|------------------------|-----------|-----------------------------|---------------------------|
| EBITDA <sup>1</sup>                                                       | £275.4m<br>£278.2m      | £327.5m                | 75%       | 13.7%                       | 10.3%                     |
| Corporate objectives                                                      | Partially met           |                        | 25%       | 96%                         | 24%                       |
| Overall, bonuses of 51.5% of salary became payable to executive directors |                         |                        |           |                             |                           |

#### Performance share plan outcome 2023 cycle

|                                                                    | Threshold<br>25% payout   | Maximum<br>100% payout | Weighting | % of<br>maximum<br>achieved | % of<br>PSP<br>vesting |
|--------------------------------------------------------------------|---------------------------|------------------------|-----------|-----------------------------|------------------------|
| EPS                                                                | 33.25p<br>31.8p           | 37.00p                 | 50%       | 0%                          | 0%                     |
| TSR vs FTSE 250                                                    | Median<br>55th percentile | Upper quartile         | 50%       | 41.2%                       | 20.6%                  |
| Overall 20.6% of the 2023 PSP will vest to the executive directors |                           |                        |           |                             |                        |

As indicated in last year's report, the Committee also considered the vesting value in April 2025 of the 2022 PSP awards in relation to investor guidance around windfall gains, and was satisfied that the initial conclusion to make no amendment at the end of the performance period continued to be appropriate.

#### 2025 PSP

Awards were granted to the executive directors under the PSP in April 2025, with vesting linked to EPS, TSR and carbon reduction. The TSR performance condition is consistent with prior awards,

with full vesting requiring Breedon to deliver upper quartile TSR when compared to the FTSE 250. The EPS range was set to be challenging in the context of Breedon's growth ambitions, and the carbon reduction range was set to build on Breedon's previous significant progress in reducing carbon emissions.

Full details of the targets are disclosed

»148

<sup>1</sup> For details of the adjustments made for performance measurement purposes see page 142.

## Directors' Remuneration report Annual statement

### Senior management and wider workforce

The Committee sets remuneration for senior executives, and during the year received updates on colleague remuneration, policies and practices across the Group, enabling the Committee to stay up-to-date with trends and themes for the wider workforce. Pay increases for the wider workforce in 2025 were broadly set to 3.5%.

As the DNED for Workforce Engagement, I also attended a number of focus groups in 2025 with colleagues across our UK and Ireland businesses and discussed a wide range of topics.

### Key activities in 2025

#### January

- considered the implications of market developments;
- reviewed general workforce salary increases;
- reviewed market benchmarks for senior executives;
- received interim performance update on inflight incentives;
- initial consideration of 2025 bonus and PSP targets; and
- approved awards under all-employee share plans.

#### February

- executive director and Executive Committee remuneration review in the context of workforce increases;
- approval of 2024 annual bonus outcome;

- approval of 2022 PSP award vesting;
- approved 2025 bonus and PSP targets;
- assessed compliance with shareholding guidelines;
- share dilution update;
- reviewed Board chair fees; and
- approved the Directors' Remuneration Report for inclusion in the 2024 Annual Report and Accounts.

#### April

- reassessed bonus targets to accommodate Lionmark acquisition; and
- reviewed the US remuneration landscape.

#### November

- received interim performance update on incentives; and
- considered the implications of market developments.

## Directors' Remuneration report Annual statement

### Looking forward to 2026

2026 will be the final year of our current three-year Policy which the Committee will implement as follows:

#### Salary

The Committee supports the principle that executive director salary increases should be in line or below those granted for the rest of the workforce. In line with the wider workforce the executive director salaries will increase by 3%.

#### Benefits and pension

There has been no change to benefits provision. Pension contribution rates remain in line with the general workforce contribution offering of 5% of salary.

#### Annual bonus

The annual bonus opportunity for both executive directors will continue to be 150% of base salary and based 75% on underlying profitability and 25% on corporate objectives including ESG. Consistent with last year, for 2026 the financial element of the annual bonus will be determined by the Group's Underlying EBITDA performance. The Underlying EBITDA measure will remain subject to a moderator

to reflect actual capital employed in the business versus budget, and a quality of earnings assessment will apply. The targets and objectives are considered to be commercially sensitive and will be disclosed in the 2026 remuneration report.

#### PSP

The Committee intends to make awards with a face value of 200% of salary to the CEO and 175% of salary to the CFO. The Committee has considered the prevailing share price and considers these award levels to be appropriate but will use its discretion at vesting to mitigate any windfall gains.

Consistent with the approach taken in 2025, EPS and relative TSR will continue to apply with weightings of 42.5% each. The remaining 15% will be based on a carbon reduction metric, which reflects our environmental ambitions. The performance ranges set for these metrics are detailed on page 148.

#### Concluding remarks

In accordance with the regulatory requirements for UK Main Market companies, we will be required to submit the Policy to shareholders for approval by no later than the 2027 AGM, and the Committee will embark upon a review of the current Policy during 2026. Any proposed revisions will be the

subject of consultation with shareholders. To support its review, the Committee will continue to monitor developments in market practices and investor attitudes around senior executive pay to ensure the Policy remains fit-for-purpose, robust and competitive. In particular, the Committee will focus on ensuring the remuneration structure reinforces Breedon's growth ambitions, through our choice of variable pay structures, incentive mix, performance measure selection and target ranges. The Committee continues to place great importance on ensuring that there is a clear link between pay and performance, including a focus on culture, adherence to the Group's risk framework, and that remuneration outcomes are reflective of this wider context.

I hope you find this report to be a comprehensive account of the Committee's activities and the decisions we have made during the year. I shall be available at the upcoming AGM to answer any questions about the work of the Remuneration Committee, and thank you again for your continued support of Breedon.

#### Pauline Lafferty

Chair, Remuneration Committee  
11 March 2026

## Directors' Remuneration report

# 2 Remuneration at a glance

## Our pay principles

- Clear and simple
- Attracts, retains and motivates
- Competitive but not excessive
- Clear focus on performance-related pay
- Aligned with shareholders and other stakeholders
- Supports our culture and values
- Promotes good governance

## 2025 Executive director remuneration

### Actual pay delivered for 2025 £'000



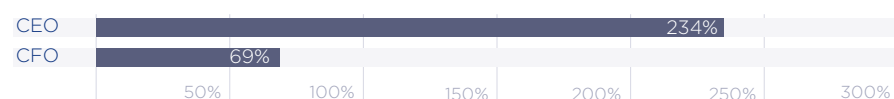
### Annual bonus outcome

|                      | Threshold<br>10% payout | Maximum<br>100% payout | Weighting | % of<br>maximum<br>achieved | % of<br>bonus<br>achieved |
|----------------------|-------------------------|------------------------|-----------|-----------------------------|---------------------------|
| EBITDA               | £275.4m<br>£278.2m      | £327.5m                | 75%       | 13.7%                       | 10.3%                     |
| Corporate objectives | Partially met           |                        | 25%       | 96%                         | 24%                       |
|                      |                         |                        |           |                             | Total 34.3%               |

### Performance share plan outcome 2023 cycle

|                 | Threshold<br>25% payout   | Maximum<br>100% payout | Weighting | % of<br>maximum<br>achieved | % of<br>PSP<br>vesting |
|-----------------|---------------------------|------------------------|-----------|-----------------------------|------------------------|
| EPS             | 33.25p<br>31.8p           | 37.00p                 | 50%       | 0%                          | 0%                     |
| TSR vs FTSE 250 | Median<br>55th percentile | Upper quartile         | 50%       | 41.2%                       | 20.6%                  |
| Total 20.6%     |                           |                        |           |                             |                        |

### Shareholding % of salary



## 2026 Executive director remuneration

|           | CEO                                                         | CFO         | 2026 | 2027 | 2028 | 2029 | 2030 |
|-----------|-------------------------------------------------------------|-------------|------|------|------|------|------|
| Fixed pay |                                                             |             |      |      |      |      |      |
| Salary    | £721k (+3%)                                                 | £500k (+3%) |      |      |      |      |      |
| Benefits  | Private medical insurance, medical screening, car allowance |             |      |      |      |      |      |
| Pension   | 5% of salary, in line with the workforce                    |             |      |      |      |      |      |

### Annual bonus

|             | 150% of salary                                                                                                                                                                                              | 150% of salary | 2026                                                                                                                       | 2027 | 2028 | 2029 | 2030 |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------|------|------|------|------|
| Opportunity | 150% of salary                                                                                                                                                                                              | 150% of salary |                                                                                                                            |      |      |      |      |
| Measures    | <ul style="list-style-type: none"> <li>75% – Adjusted Underlying EBITDA (with moderator to reflect actual capital employed versus budget)</li> <li>25% – Key strategic/sustainability objectives</li> </ul> |                | One-year performance period<br>Two-thirds of bonus earned is paid in 2027<br>One-third is deferred in shares for two years |      |      |      |      |
| Deferral    | One-third of any bonus earned, for two years                                                                                                                                                                |                |                                                                                                                            |      |      |      |      |

### Performance share plan

|             | 200% of salary                                                                                                                                         | 175% of salary | 2026                                                                          | 2027 | 2028 | 2029 | 2030 |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------|------|------|------|------|
| Opportunity | 200% of salary                                                                                                                                         | 175% of salary |                                                                               |      |      |      |      |
| Measures    | <ul style="list-style-type: none"> <li>42.5% – EPS</li> <li>42.5% – TSR vs FTSE 250 excl. investment trusts</li> <li>15% – Carbon reduction</li> </ul> |                | Three-year performance period<br>Two-year holding period on any vested shares |      |      |      |      |
| Cycle       | Three-year performance period plus two-year hold                                                                                                       |                |                                                                               |      |      |      |      |

### Shareholding requirements

|         |                                                                                                                                |
|---------|--------------------------------------------------------------------------------------------------------------------------------|
| Level   | 200% of salary                                                                                                                 |
| Details | Retain half of any vested share awards (net of tax) until guideline is achieved. Remains in force for two years post-cessation |

## Directors' Remuneration report

# 3 Directors' Remuneration Policy

Our Directors' Remuneration Policy was approved by shareholders at the AGM on 24 April 2024 and will continue to apply for the 2026 financial year.



Click or scan here to see a full copy of the Policy approved in 2024

## Policy summary table for directors

The table below sets out the main components of the Policy.

| Purpose and link to strategy                                                                                                                                                                            | Operation                                                                                                                                                                                                                                                            | Maximum opportunity                                                                                                                                                                                               | Performance conditions                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Base salary</b>                                                                                                                                                                                      |                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                |
| To provide a competitive base salary reflective of the particular skills, calibre and experience of an individual.                                                                                      | Normally reviewed annually or where there is a significant change of responsibilities.<br>Typically take effect from 1 April.                                                                                                                                        | No maximum salary, although increases will normally be broadly in line with those awarded to the wider workforce.<br><br>Increases above this level may be awarded to take into account individual circumstances. | Any increase in base salary is implemented only after careful consideration of individual contribution and performance.                                                                                                                                                                        |
| <b>Benefits</b>                                                                                                                                                                                         |                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                |
| To provide market competitive, cost-effective benefits to assist with retention and recruitment.                                                                                                        | May include private medical insurance, life assurance, car allowance, executive medical screening and any other benefits which are introduced for the wider workforce.<br><br>May also include certain relocation, travel and/or incidental expenses as appropriate. | There is no predetermined maximum.                                                                                                                                                                                | Not performance related.                                                                                                                                                                                                                                                                       |
| <b>Pension</b>                                                                                                                                                                                          |                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                |
| To provide employees with long-term savings to allow for retirement planning.                                                                                                                           | Includes participation in a defined contribution pension plan or a cash supplement in lieu of pension up to the same value, or a mixture of both.                                                                                                                    | Aligned with the wider workforce pension contribution (5% of base salary).                                                                                                                                        | Not performance related.                                                                                                                                                                                                                                                                       |
| <b>Annual bonus</b>                                                                                                                                                                                     |                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                |
| Rewards achievement of annual financial and business targets aligned with the Group's KPIs. Bonus deferral encourages long-term shareholding, supports retention and discourages excessive risk taking. | Subject to the achievement of performance targets and with payment at the Committee's discretion.<br><br>Two-thirds payable in cash and one-third deferred in shares for two years.<br><br>Malus and clawback provisions apply.                                      | 150% of base salary.                                                                                                                                                                                              | Financial measures will normally determine the majority of the bonus opportunity and the balance may be based on non-financial, strategic, personal and/or ESG-related objectives.<br><br>The Committee has discretion to adjust the formulaic outcome taking account of any relevant factors. |

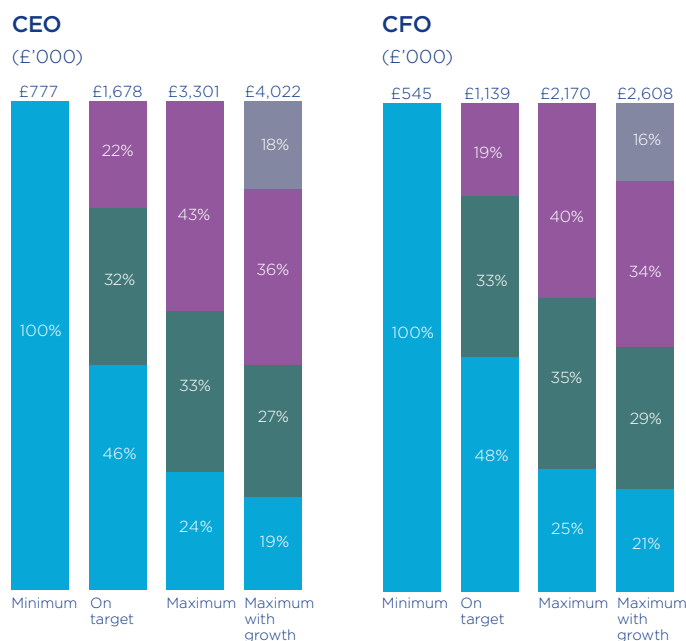
## Directors' Remuneration report Directors' Remuneration Policy

| Purpose and link to strategy                                                                                                                                                        | Operation                                                                                                                                                                                                                                                                                       | Maximum opportunity                                                                                                                                                                               | Performance conditions                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Performance Share Plan</b>                                                                                                                                                       |                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| To drive superior performance of the Group and delivery of the Group's long-term objectives, aid retention and align directors' interests with those of the Company's shareholders. | Share awards granted in the form of nil or nominal cost options or conditional awards.<br><br>Vested awards are subject to a two-year holding period.<br><br>Dividend accrual applies.<br><br>Malus and clawback provisions apply.                                                              | 200% of salary for the CEO and 175% of salary for other directors.                                                                                                                                | Vesting subject to the satisfaction of performance conditions, typically measured over a period of at least three years.<br><br>Measures could include, but are not limited to, EPS, relative TSR or sustainability-based measures. The Committee has the flexibility to vary the mix of measures or to introduce new measures for future awards.<br><br>The Committee has discretion to alter the vesting outcome taking account of any relevant factors. |
| <b>All-employee share schemes</b>                                                                                                                                                   |                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Encourages colleague share ownership and therefore increases alignment with shareholders.                                                                                           | Sharesave schemes are open to all colleagues of the Group.<br><br>The Company may introduce other all-employee schemes, if appropriate.                                                                                                                                                         | Limits set by HMRC from time to time.                                                                                                                                                             | Not performance related.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Shareholding guidelines</b>                                                                                                                                                      |                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Encourages executive directors to build a meaningful shareholding in the Group.                                                                                                     | At least half of any share awards vesting (post-tax) must be retained until the required holding is reached.<br><br>Shares owned outright count towards the in-employment guideline as do unvested deferred bonus shares and vested PSP awards, which remain unexercised on a net of tax basis. | During employment: 200% of salary guideline applies.<br><br>Post-employment: the holding requirement is the lower of the shareholding at cessation and 200% of salary, and applies for two years. | Not performance related.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Chair and non-executive directors' fees</b>                                                                                                                                      |                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| To attract high-calibre individuals and appropriately reflect knowledge, skills and experience.                                                                                     | Fees reviewed annually, taking into account time commitment and contribution.<br><br>The Chair is paid an all-inclusive fee for all Board responsibilities.<br><br>Non-executive directors receive a basic fee and additional fees for further responsibilities.                                | No maximum fee level or rate of increase, but account is taken of market movements and ongoing time commitments.                                                                                  | Not performance related.                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## Directors' Remuneration report Directors' Remuneration Policy

### Illustration of the application of the Policy

■ Total fixed remuneration ■ Annual bonus ■ Performance Share Plan ■ Share price growth



|                                 | Year 1                                                                                                                                                      | Year 2                                                                                                                                                                                          | Year 3 | Year 4                                                                                                      | Year 5 |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------------------------------------------------------------------------------------------------------------|--------|
| <b>Total fixed remuneration</b> | <ul style="list-style-type: none"> <li>Base salary</li> <li>Benefits</li> <li>Pension</li> </ul>                                                            |                                                                                                                                                                                                 |        |                                                                                                             |        |
| <b>Annual bonus</b>             | <ul style="list-style-type: none"> <li>One-year performance period</li> <li>Maximum two-thirds payment as cash</li> <li>Malus and clawback apply</li> </ul> | <ul style="list-style-type: none"> <li>Minimum one-third payment deferral as shares for two-year period</li> <li>No further performance conditions</li> <li>Malus and clawback apply</li> </ul> |        |                                                                                                             |        |
| <b>Performance share plan</b>   | <ul style="list-style-type: none"> <li>Three-year performance period</li> <li>Malus and clawback apply</li> </ul>                                           |                                                                                                                                                                                                 |        | <ul style="list-style-type: none"> <li>Two-year holding period</li> <li>Malus and clawback apply</li> </ul> |        |
| <b>Shareholding guidelines</b>  | Executive directors are expected to build and maintain a shareholding equivalent to 200% of their base salary                                               |                                                                                                                                                                                                 |        |                                                                                                             |        |

The balance between fixed and variable 'at risk' elements of remuneration changes with performance. Our Policy results in a significant proportion of remuneration received by executive directors being dependent on Company performance. The charts above illustrate how the Policy would function for minimum, on-target and maximum performance for each executive director in 2026.

Assumptions for the chart:

- Benefits estimated at the value shown in the single total figure of remuneration table for 2025.
- On-target: bonus achieved at 50% of the maximum opportunity, and the PSP is valued at 25% of the face value at grant.

- Maximum: full bonus achieved and PSP vesting in full, meaning bonus payouts of 150% of salary, and PSP award values of 200% and 175% of salary for the CEO and CFO respectively.
- Share price appreciation of 50% has been assumed for the PSP awards under the final 'maximum with growth' scenario (no share price appreciation has been assumed for the first three scenarios).

- Amounts relating to all-employee share schemes have, for simplicity, been excluded from the charts.

## Directors' Remuneration report Directors' Remuneration Policy

### Service agreements/letters of appointment and loss of office

Each director has a service agreement or letter of appointment with the Company as follows:

| Director                | Service agreements/<br>letters of appointment<br>and loss of office | Effective date of most<br>recent contract/letter<br>of appointment | Notice period        |                     |
|-------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------|----------------------|---------------------|
|                         |                                                                     |                                                                    | From the<br>director | From the<br>Company |
| Executive directors     |                                                                     |                                                                    |                      |                     |
| Rob Wood                | 27 February 2014                                                    | 10 May 2023                                                        | 12 months            | 12 months           |
| James Brotherton        | 17 November 2020                                                    | 10 May 2023                                                        | 12 months            | 12 months           |
| Non-executive directors |                                                                     |                                                                    |                      |                     |
| Amit Bhatia             | 1 August 2016                                                       | 1 August 2025                                                      | -                    | -                   |
| Carol Hui, OBE          | 3 March 2020                                                        | 26 April 2023                                                      | -                    | -                   |
| Pauline Lafferty        | 17 June 2021                                                        | 1 August 2024                                                      | -                    | -                   |
| Helen Miles             | 18 November 2020                                                    | 31 March 2024                                                      | -                    | -                   |
| Clive Watson            | 24 July 2019                                                        | 1 September 2025                                                   | -                    | -                   |

In line with the expectations of the UK Corporate Governance Code, all directors submit themselves for re-election annually at the AGM.

## Directors' Remuneration report

# 4 Annual report on remuneration

This section of the report has been prepared in accordance with Part 3 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) and UKLR 6.6.6R. The Directors' Remuneration report, comprising the Annual Statement to shareholders by the Remuneration Committee Chair and the Annual report on remuneration, will be put to a single advisory shareholder vote at the AGM on 29 April 2026.

This part of the report is comprised of five sections:

|           |                                                                 |      |
|-----------|-----------------------------------------------------------------|------|
| <b>4A</b> | <b>Remuneration for 2025</b>                                    | »142 |
| <b>4B</b> | <b>Directors' share ownership and share interests</b>           | »144 |
| <b>4C</b> | <b>Remuneration Committee membership, governance and voting</b> | »145 |
| <b>4D</b> | <b>Pay comparison</b>                                           | »146 |
| <b>4E</b> | <b>Implementation of the Policy in 2026</b>                     | »148 |

## 4A Remuneration for 2025

### Single total figure of directors' remuneration (audited)

The total remuneration of the directors for the year ended 31 December 2025 and the prior year is shown in the table below:

| Director                       | Salary/fees<br>£'000 |      | Benefits <sup>1</sup><br>£'000 |      | Pension <sup>2</sup><br>£'000 |      | Fixed pay<br>Sub-total<br>£'000 |      | Annual<br>bonus <sup>3</sup><br>£'000 |      | PSP awards<br>vesting <sup>4</sup><br>£'000 |      | Variable pay<br>Sub-total<br>£'000 |       | Total<br>£'000 |       |
|--------------------------------|----------------------|------|--------------------------------|------|-------------------------------|------|---------------------------------|------|---------------------------------------|------|---------------------------------------------|------|------------------------------------|-------|----------------|-------|
|                                | 2025                 | 2024 | 2025                           | 2024 | 2025                          | 2024 | 2025                            | 2024 | 2025                                  | 2024 | 2025                                        | 2024 | 2025                               | 2024  | 2025           | 2024  |
| <b>Executive directors</b>     |                      |      |                                |      |                               |      |                                 |      |                                       |      |                                             |      |                                    |       |                |       |
| Rob Wood                       | 692                  | 662  | 21                             | 20   | 30                            | 29   | 743                             | 711  | 360                                   | 722  | 186                                         | 590  | 546                                | 1,312 | 1,289          | 2,023 |
| James Brotherton               | 477                  | 448  | 20                             | 20   | 20                            | 20   | 517                             | 488  | 250                                   | 488  | 126                                         | 399  | 376                                | 887   | 893            | 1,375 |
| <b>Non-executive directors</b> |                      |      |                                |      |                               |      |                                 |      |                                       |      |                                             |      |                                    |       |                |       |
| Amit Bhatia                    | 236                  | 219  | -                              | -    | -                             | -    | 236                             | 219  | -                                     | -    | -                                           | -    | -                                  | -     | 236            | 219   |
| Carol Hui, OBE                 | 74                   | 70   | -                              | -    | -                             | -    | 74                              | 70   | -                                     | -    | -                                           | -    | -                                  | -     | 74             | 70    |
| Pauline Lafferty               | 82                   | 77   | -                              | -    | -                             | -    | 82                              | 77   | -                                     | -    | -                                           | -    | -                                  | -     | 82             | 77    |
| Helen Miles                    | 62                   | 59   | -                              | -    | -                             | -    | 62                              | 59   | -                                     | -    | -                                           | -    | -                                  | -     | 62             | 59    |
| Clive Watson                   | 85                   | 81   | -                              | -    | -                             | -    | 85                              | 81   | -                                     | -    | -                                           | -    | -                                  | -     | 85             | 81    |

1 Benefits paid to Rob Wood and James Brotherton comprise the provision of private medical cover and a car allowance.

2 Rob Wood and James Brotherton received a salary supplement in lieu of a contribution to a pension arrangement.

3 Further information in relation to the bonuses payable to Rob Wood and James Brotherton is given on pages 142 and 143 and these bonuses were earned pursuant to the terms of the 2025 annual bonus scheme.

4 Both executive directors were granted PSP awards on 11 April 2023 which are due to vest at 20.6% on 11 April 2026. As the vesting date falls after the remuneration report is signed off, the value of these awards has been estimated using the three-month average share price to 31 December 2025 (332.8p). The actual value of these awards at the point of vesting will be set out in the 2026 Directors' Remuneration report. The 2024 PSP figures have been updated to reflect the actual share price at vesting (429.9p) and the value of accrued dividends during the vesting period.

## Directors' Remuneration report Annual report on remuneration

### 4A Remuneration for 2025

#### Annual bonus for the year ended 31 December 2025 (audited)

The annual bonus opportunity for each executive director was 150% of base salary. The 2025 annual bonus was based on the achievement of stretching Underlying EBITDA targets for 75% with the remaining 25% based on corporate objectives. The Underlying EBITDA range was set around the budget for the year, and was subsequently increased to reflect the impact of the Lionmark acquisition. At the time of setting the Underlying EBITDA range, the stretch level of performance required a 7% outperformance of market consensus.

#### Underlying EBITDA (75% of the total bonus)

| Threshold level of Underlying EBITDA (10% payout) £m | Target level of Underlying EBITDA (50% payout) £m | Maximum level of Underlying EBITDA £m | Adjusted Underlying EBITDA £m <sup>1</sup> | Bonus earned (percentage of maximum) % |
|------------------------------------------------------|---------------------------------------------------|---------------------------------------|--------------------------------------------|----------------------------------------|
| 275.4                                                | 306.0                                             | 327.5                                 | 278.2                                      | 10.3                                   |

<sup>1</sup> After the application of the capital employed moderator and the exchange rate translation.

The rules of the annual bonus scheme provide that the actual level of Underlying EBITDA achieved is subject to a capital moderator which takes account of the impact of smaller bolt-on acquisitions on Group performance and reinforces working capital discipline. It is based on applying a capital charge to excess capital employed, and conversely a capital credit for a reduction in capital employed. In 2025 the impact of the capital moderator on the Underlying EBITDA achieved was to decrease EBITDA by c.£0.6m as a function of average working capital being slightly higher than had been budgeted.

In overseeing the bonus outcome, the Committee examines whether the formulaic calculation for the Underlying EBITDA metric is justifiable and explainable in the context of overall business performance, particularly focusing on the impact of one-off events. The Committee concluded from its review that the formulaic outcome against the Underlying EBITDA targets reflected the underlying performance of the Group in the year.

#### Corporate objectives (25% of the total bonus)

| Objectives                                                                                                                                                                                      | Assessment                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Strategic themes</b>                                                                                                                                                                         |                                                                                                                                                                                |
| <b>Strategy</b> — progress M&A strategic priorities and science-based carbon reduction roadmap; particular focus on US and cement decarbonisation.                                              | Lionmark acquisition completed doubling the size of the US business and enhancing vertical integration. Significant progress made on the Peak Cluster Decarbonisation project. |
| <b>Customer</b> — maintain and/or improve our weighted averaged NPS.                                                                                                                            | Target for 2025 was to maintain or improve the NPS score of 67. The target was exceeded with a weighted NPS score of 69.                                                       |
| <b>Mineral reserves</b> — planning applications/planning consents secured for key mineral reserves.                                                                                             | Target for replenishment of mineral reserves in 2025 was exceeded with 50 million tonnes of minerals secured during the year.                                                  |
| <b>Digitalisation</b> — implement and embed common Group platforms to consolidate and digitalise risk and control, health and safety, and sustainability assurance and compliance capabilities. | A new platform, Enablon, was implemented and embedded as a common Group platform during 2025.                                                                                  |
| <b>Sustainability 2030 target</b>                                                                                                                                                               |                                                                                                                                                                                |
| <b>People</b> – generate social value.                                                                                                                                                          | Thrive's Impact Valuation Standard was implemented in 2025. Social value generated in 2025 was £134.5m (against a target of £83m).                                             |
| <b>Places</b> – sale of products from the Breedon Balance range.                                                                                                                                | The sale of products from the Breedon Balance range in 2025 was 39% against a target of 37%, (slightly below the stretch target set).                                          |

The objectives made up 25% of the total bonus for the CEO and CFO. The Committee determined that excellent progress had been made against each of the objectives and targets and this resulted in a payout of 96%.

The table above provides disclosure of the objectives against each area and actual performance.

## Directors' Remuneration report Annual report on remuneration

### 4A Remuneration for 2025

Overall the bonus outcome for the year, taking into account financial performance and the delivery of corporate objectives, was 34.3% of maximum. The overall bonus for the period was as follows:

|                  | Maximum bonus opportunity (% of salary) | Bonus payout (% of maximum) | Bonus earned (£'000) | Payable in cash | Portion to be deferred in shares for 2 years |
|------------------|-----------------------------------------|-----------------------------|----------------------|-----------------|----------------------------------------------|
| Rob Wood         | 150%                                    | 34.3%                       | 360                  | 240             | 120                                          |
| James Brotherton | 150%                                    | 34.3%                       | 250                  | 167             | 83                                           |

The Remuneration Committee believes these outcomes fairly reflect the performance of the business over the 2025 financial year and therefore no adjustment is required to the formulaic outcomes. In arriving at this conclusion, the Committee recognised the resilient performance delivered in 2025 in a very challenging macroeconomic environment. The Committee also considered progress on strategic delivery and sustainability objectives delivered during the year.

#### 2023 PSP vesting outcome in respect of performance to 31 December 2025 (audited)

Awards were granted under the PSP on 11 April 2023, with vesting subject to two performance conditions, each with an equal weighting – Underlying Diluted EPS growth and relative TSR against the constituents of the FTSE 250 (excluding investment trusts).

The performance period for both measures ended on 31 December 2025 and the awards will become exercisable on the third anniversary of grant subject to continued service. These awards are subject to a two-year holding period.

|                        | Threshold (25% vesting)  | Maximum (100% vesting)           | Actual                             | Vesting (% of maximum) |
|------------------------|--------------------------|----------------------------------|------------------------------------|------------------------|
| Relative TSR (50%)     | Median rank<br>21.6% TSR | Upper quartile rank<br>59.9% TSR | 29.8% TSR, above<br>median ranking | 41.2%                  |
| EPS (50%) <sup>1</sup> | 33.25p                   | 37.0p or higher                  | 31.8p                              | 0%                     |

<sup>1</sup> The EPS targets were adjusted for the one-for-five share consolidation undertaken as part of the move to the Main Market.

The EPS performance over the period was such that this part of the award will not vest. For TSR, the Company ranked above median of the comparator group and therefore 41.2% of this part of the award will vest. As such, 20.6% of the awards will vest on 11 April 2026.

|                  | Number of PSP awards granted '000 | Performance outcome % | Number of awards vesting '000 | Value due to share price appreciation £'000 | PSP single total figure value £'000 |
|------------------|-----------------------------------|-----------------------|-------------------------------|---------------------------------------------|-------------------------------------|
| Rob Wood         | 272                               | 20.6%                 | 56                            | (13)                                        | 186                                 |
| James Brotherton | 184                               | 20.6%                 | 38                            | (9)                                         | 126                                 |

The value of these awards as set out in the above table is based on the average three-month share price to 31 December 2025 of 332.8p.

The Committee believes the vesting outcome is a fair reflection of performance over the three-year period and therefore no discretion has been applied to amend the formulaic outcomes. In addition, the Committee is satisfied that no windfall gains have arisen; however this will be subject to a final assessment at vesting.

#### 2022 PSP vesting

The PSP awards granted on 11 April 2022 vested at 53.5% on 11 April 2025. In the 2024 Annual Report, an estimated vesting value was provided based on the three-month average share price to 31 December 2024 (of 444.8p). The prior year PSP values in the single figure table have been updated to reflect the actual share price at vesting (429.9p) and the value of accrued dividends during the vesting period.

#### Payments to former directors (audited)

There were no payments to former directors during the year.

#### Payments for loss of office (audited)

There were no payments for loss of office during the year.

## Directors' Remuneration report Annual report on remuneration

### 4B Directors' share ownership and share interests

#### Share awards granted in 2025 (audited)

The table below provides details of PSP and Deferred Share Bonus Plan (DSBP) awards made to executive directors on 8 April 2025.

| Director         | Type of award          | Percentage of salary Basis of award | Number of shares under award <sup>1</sup> '000 | Face value of award <sup>1</sup> £'000 | Percentage vesting at threshold | End of performance period |
|------------------|------------------------|-------------------------------------|------------------------------------------------|----------------------------------------|---------------------------------|---------------------------|
| Rob Wood         | PSP conditional shares | 200%                                | 342                                            | 1,400                                  | 25%                             | 31 Dec 2027               |
|                  | DSBP shares            | n/a                                 | 59                                             | 241                                    | n/a                             | n/a                       |
| James Brotherton | PSP conditional shares | 175%                                | 207                                            | 849                                    | 25%                             | 31 Dec 2027               |
|                  | DSBP shares            | n/a                                 | 40                                             | 163                                    | n/a                             | n/a                       |

<sup>1</sup> The number of awards was based on a share price of 409.4p being the middle market closing price on the dealing day prior to grant.

The vesting of the above PSP awards is subject to the achievement of three performance conditions, measured independently.

| Percentage of award that vests | Performance measure, weighting and targets range |                          |                                 |
|--------------------------------|--------------------------------------------------|--------------------------|---------------------------------|
|                                | Adjusted underlying diluted FY27 EPS             | TSR vs FTSE 250 excl. IT | Core carbon intensity reduction |
|                                | 42.5% weighting                                  | 42.5% weighting          | 15% weighting                   |
| 0%                             | Less than 38.00p                                 | Below Median TSR         | Less than 4.87%                 |
| 25%                            | 38.00p                                           | Median TSR               | 4.87%                           |
| 50%                            | 41.00p                                           | n/a                      | 6.50%                           |
| 100%                           | 47.00p                                           | Upper quartile TSR       | 8.13%                           |

#### Outstanding DSBP and PSP awards (audited)

|                  |      |               |                                       |              |                          |             | Movements in the year                   |              |
|------------------|------|---------------|---------------------------------------|--------------|--------------------------|-------------|-----------------------------------------|--------------|
|                  | Plan | Year of award | Awards held as at 1 January 2025 '000 | Granted '000 | Vested <sup>1</sup> '000 | Lapsed '000 | Awards held as at 31 December 2025 '000 | Vesting date |
| Rob Wood         | PSP  | 2022          | 229                                   | 0            | 137                      | 107         | 0                                       | April 2025   |
|                  | PSP  | 2023          | 272                                   | 0            | 0                        | 0           | 272                                     | April 2026   |
|                  | PSP  | 2024          | 367                                   | 0            | 0                        | 0           | 367                                     | April 2027   |
|                  | DSBP | 2025          | 0                                     | 59           | 0                        | 0           | 59                                      | April 2027   |
|                  | PSP  | 2025          | 0                                     | 342          | 0                        | 0           | 342                                     | April 2028   |
| <b>Total</b>     |      |               | <b>868</b>                            | <b>401</b>   | <b>137</b>               | <b>107</b>  | <b>1,040</b>                            |              |
| James Brotherton | PSP  | 2022          | 155                                   | 0            | 93                       | 72          | 0                                       | April 2025   |
|                  | PSP  | 2023          | 184                                   | 0            | 0                        | 0           | 184                                     | April 2026   |
|                  | PSP  | 2024          | 217                                   | 0            | 0                        | 0           | 217                                     | April 2027   |
|                  | DSBP | 2025          | 0                                     | 40           | 0                        | 0           | 40                                      | April 2027   |
|                  | PSP  | 2025          | 0                                     | 207          | 0                        | 0           | 207                                     | April 2028   |
| <b>Total</b>     |      |               | <b>556</b>                            | <b>247</b>   | <b>93</b>                | <b>72</b>   | <b>648</b>                              |              |

<sup>1</sup> 2022 PSP – additional dividend shares of 14,525 for Rob Wood and 9,824 for James Brotherton accrued on vested shares.

#### Outstanding SAYE awards (audited)

|                  | Shares under option '000 | Option date  | Maturity date | Option price | Term (months) | Options matured during the year '000 |
|------------------|--------------------------|--------------|---------------|--------------|---------------|--------------------------------------|
| Rob Wood         | 10                       | 1 May 2024   | 1 June 2029   | 316p         | 60            | Nil                                  |
| James Brotherton | 8                        | 1 April 2021 | 1 May 2026    | 356p         | 60            | Nil                                  |

## Directors' Remuneration report Annual report on remuneration

### 4B Directors' share ownership and share interests

#### Beneficial interests (audited)

The share interests of each director as at 31 December 2025 (together with interests held by connected persons) are set out in the table below. To align executive directors with the interests of shareholders, the Committee has implemented shareholding guidelines for executive directors and key senior colleagues. The guidelines require that executive directors build up and maintain an interest in the ordinary shares of the Company that is 200% of their annual base salary and retain half of any vested share awards (net of any taxes due) until this guideline is met.

Shareholdings for directors who have held office during the year ended 31 December 2025 are set out as a percentage of salary or fees in the table below.

|                                | No. of shares owned outright (inc. connected persons) 31 Dec 2025 '000 | No. of shares owned outright (inc. connected persons) 31 Dec 2024 '000 | Vested but unexercised share awards | Unvested shares subject to performance conditions '000 | Unvested shares not subject to performance conditions '000 | SAYE Options held '000 | Shareholding as a % of salary as at 31 Dec 2025 <sup>1</sup> | Shareholding guidelines (200% of salary) met? |
|--------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------|--------------------------------------------------------|------------------------------------------------------------|------------------------|--------------------------------------------------------------|-----------------------------------------------|
| <b>Executive directors</b>     |                                                                        |                                                                        |                                     |                                                        |                                                            |                        |                                                              |                                               |
| Rob Wood                       | 491                                                                    | 405                                                                    | 0                                   | 980                                                    | 59                                                         | 10                     | 234                                                          | Yes                                           |
| James Brotherton               | 100                                                                    | 44                                                                     | 0                                   | 608                                                    | 40                                                         | 8                      | 69                                                           | No                                            |
| <b>Non-executive directors</b> |                                                                        |                                                                        |                                     |                                                        |                                                            |                        |                                                              |                                               |
| Amit Bhatia <sup>2</sup>       | 100                                                                    | 100                                                                    | -                                   | -                                                      | -                                                          | -                      | -                                                            | -                                             |
| Carol Hui, OBE                 | 4                                                                      | 4                                                                      | -                                   | -                                                      | -                                                          | -                      | -                                                            | -                                             |
| Pauline Lafferty               | 0                                                                      | 0                                                                      | -                                   | -                                                      | -                                                          | -                      | -                                                            | -                                             |
| Helen Miles                    | 0                                                                      | 0                                                                      | -                                   | -                                                      | -                                                          | -                      | -                                                            | -                                             |
| Clive Watson                   | 60                                                                     | 40                                                                     | -                                   | -                                                      | -                                                          | -                      | -                                                            | -                                             |

<sup>1</sup> Includes the value of beneficially owned shares and any vested but unexercised share awards on a net of tax basis.

<sup>2</sup> Amit Bhatia is recognised by the Board as being a person closely associated with Abicad Holdings Limited. As at 31 December 2025 Abicad Holdings Limited held 67,054,894 ordinary shares in the Company.

There was no change in the interests set out above between 31 December 2025 and 10 March 2026.

### 4C Remuneration Committee membership, governance and voting

#### Independent advisers

The Committee takes account of information from both internal and independent sources, including Ellason who acted as the Committee's independent adviser during 2025.

Ellason is a member of the Remuneration Consultants' Group and complies with its Code of Conduct, which sets out guidelines to ensure that their advice is independent and free of undue influence. The Committee reviews the performance and independence of its advisers on an annual basis, and was satisfied that Ellason's advice was independent and objective. Breedon incurred fees of £70,550 excluding VAT during 2025 relating to Committee advice. Ellason billed on a time and materials basis and did not provide any other services to Breedon during 2025.

#### Shareholder voting

Breedon submitted the 2024 Directors' Remuneration report for shareholder vote at the AGM held on 29 April 2025, and the 2024 Directors' Remuneration Policy at the AGM held on 24 April 2024. The vote on the Remuneration report was advisory and the vote on the Remuneration Policy binding, receiving the following support.

|                                    | 2024 Directors' Remuneration report (2025 AGM) |                 | 2024 Directors' Remuneration Policy (2024 AGM) |                 |
|------------------------------------|------------------------------------------------|-----------------|------------------------------------------------|-----------------|
|                                    | Total number of votes                          | % of votes cast | Total number of votes                          | % of votes cast |
| For                                | 263,854,919                                    | 98.46           | 265,756,165                                    | 96.95           |
| Against                            | 4,133,636                                      | 1.54            | 8,353,190                                      | 3.05            |
| Total votes cast (for and against) | 267,988,555                                    | 100             | 274,109,355                                    | 100             |
| Votes withheld                     | 2,332,873                                      | -               | 22,467                                         | -               |

## Directors' Remuneration report Annual report on remuneration

### 4D Pay comparison

#### Percentage change in directors' remuneration versus employee pay

The table below shows the percentage changes in base salary or fees, taxable benefits and annual bonus of each director in the financial year ended 31 December 2025 together with the approximate comparative average figures for those employees who were employed for a full 12 months in the UK. This section of the employee population (comprising approximately 2,827 individuals across a number of levels) is considered to be the most appropriate group for comparison purposes, as its remuneration is controlled by the Group and is subject to similar external market forces as those that relate to the executive directors' remuneration.

|                                | Salary/Fees |       |      | Benefits      |        |        | Annual bonus  |         |      |
|--------------------------------|-------------|-------|------|---------------|--------|--------|---------------|---------|------|
|                                | 2025        | 2024  | 2023 | 2025          | 2024   | 2023   | 2025          | 2024    | 2023 |
| Rob Wood                       | <b>4.6%</b> | 4.1%  | 5.1% | <b>4.4%</b>   | (3.6)% | (2.5)% | <b>(50.1)</b> | (9.7)%  | 6.3% |
| James Brotherton               | <b>6.5%</b> | 4.1%  | 4.4% | <b>0.1%</b>   | 0.0%   | (4.3)% | <b>(48.9)</b> | (9.7)%  | 6.3% |
| Amit Bhatia                    | <b>7.9%</b> | 19.5% | 4.4% | -             | -      | -      | -             | -       | -    |
| Carol Hui, OBE                 | <b>5.6%</b> | 10.5% | 4.4% | -             | -      | -      | -             | -       | -    |
| Pauline Lafferty               | <b>6.2%</b> | 12.5% | 3.4% | -             | -      | -      | -             | -       | -    |
| Helen Miles                    | <b>5.0%</b> | 9.0%  | 4.4% | -             | -      | -      | -             | -       | -    |
| Clive Watson                   | <b>5.4%</b> | 9.6%  | 3.2% | -             | -      | -      | -             | -       | -    |
| Workforce average <sup>1</sup> | <b>5.4%</b> | 5.2%  | 6.6% | <b>(9.9)%</b> | (6.2)% | 1.0%   | <b>(60.2)</b> | (16.5)% | 9.6% |

<sup>1</sup> The salaries for part-time employees have been pro-rated to full-time equivalents. Weekly paid employees have been excluded from the report as the pay conditions are different from those employees who are monthly paid, making comparison misleading.

#### CEO pay ratio

In line with the reporting regulations, set out below is the ratio of CEO pay compared to the pay of UK full-time equivalent colleagues of the Group for the financial year ended 31 December 2025. This disclosure for Breedon will continue to build up to ten years' worth of data over time. We expect the pay ratio to vary from year to year, driven largely by variability in incentive outcomes for the CEO, which will significantly outweigh any other general employee pay changes at Breedon. The CEO single total figure remuneration of £1,288,946 is used in the table below. The Committee will monitor the CEO pay ratio over time to check that it appears reasonable and is consistent with the Company's wider policies on colleague pay, reward and progression. We have chosen to use Option A in calculating the ratios, which is a calculation based on the pay of all UK employees on a full-time equivalent basis, as this option is considered to be more statistically robust. The ratios are based on total pay and benefits inclusive of short-term and long-term incentives applicable for the respective financial year (1 January to 31 December). The reference employees at the 25th, 50th and 75th percentile have been determined by reference to pay and taxable benefits as at 31 December 2025.

|             | Method          | 25th percentile pay ratio | Median pay ratio | 75th percentile pay ratio |
|-------------|-----------------|---------------------------|------------------|---------------------------|
| <b>2025</b> | <b>Option A</b> | <b>36.5:1</b>             | <b>30.4:1</b>    | <b>23.9:1</b>             |
| 2024        | Option A        | 57.3:1                    | 47.5:1           | 36.9:1                    |
| 2023        | Option A        | 51.8:1                    | 43.1:1           | 33.8:1                    |

The Committee is satisfied that the resulting figures are reasonable and are appropriately representative for the purposes of the CEO pay ratio calculations.

Set out in the table below is the base salary and total pay and benefits for each of the percentiles.

|                        | CEO        | 25th percentile | Median  | 75th percentile |
|------------------------|------------|-----------------|---------|-----------------|
| Salary                 | £692,095   | £33,368         | £33,659 | £44,450         |
| Total pay and benefits | £1,288,946 | £35,356         | £42,377 | £53,830         |

## Directors' Remuneration report Annual report on remuneration

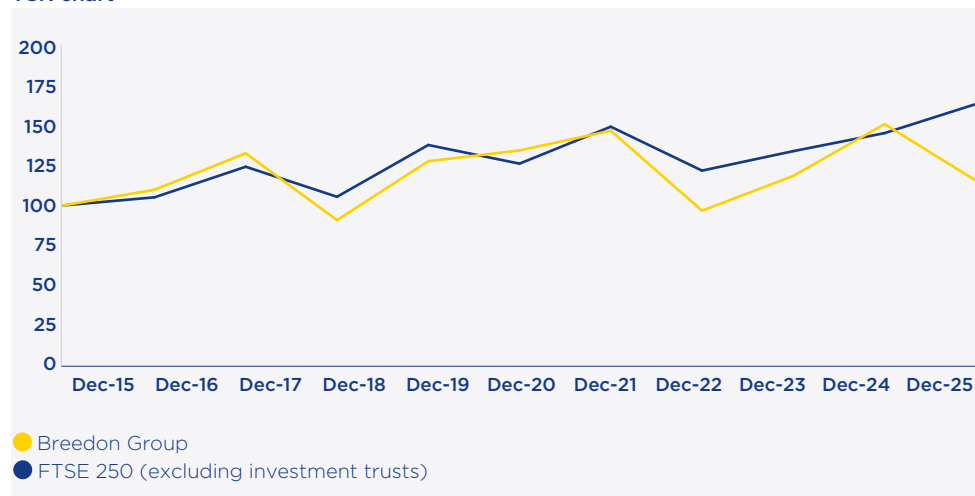
### 4D Pay comparison

#### Total shareholder return performance graph and CEO total pay

The following graph illustrates the total return, in terms of share price growth and dividends, on a notional investment of £100 in Breedon over the last ten years relative to the FTSE 250 Index (excluding investment trusts).

This index was chosen by the Committee as Breedon is a constituent of the index and it provides an indicator of general UK market performance for companies of a broadly similar size.

#### TSR chart



Source: Refinitiv

The total remuneration figures, including annual bonus and vested PSP awards (shown as a percentage of maximum) for the CEO for each of the last nine financial years are shown in the table below.

| Year | CEO                   | CEO single figure of total remuneration £'000 | Annual bonus payout against maximum opportunity % | PSP vesting rates % |
|------|-----------------------|-----------------------------------------------|---------------------------------------------------|---------------------|
| 2025 | Rob Wood              | 1,289                                         | 34.3                                              | 20.6                |
| 2024 | Rob Wood              | 2,023                                         | 72.0                                              | 53.5                |
| 2023 | Rob Wood              | 1,832                                         | 99.5                                              | 50.0                |
| 2022 | Rob Wood              | 1,868                                         | 97.8                                              | 100.0               |
| 2021 | Rob Wood <sup>1</sup> | 1,722                                         | 100.0                                             | 70.8                |
| 2021 | Pat Ward <sup>2</sup> | 1,210                                         | 100.0                                             | 70.8                |
| 2020 | Pat Ward              | 1,444                                         | 100.0                                             | 0                   |
| 2019 | Pat Ward              | 2,076                                         | 82.6                                              | 61.9                |
| 2018 | Pat Ward              | 1,334                                         | 60.5                                              | 83.5                |
| 2017 | Pat Ward              | 1,056                                         | 67.1                                              | 100                 |

1 Total remuneration for Rob Wood including the period 1 January 2021 to 31 March 2021 when he served as Group Finance Director.

2 Pat Ward's remuneration above is for the period ended 31 March 2021 when he retired from the Board.

#### Relative importance of the spend on pay

The following table shows the Company's actual spend on pay for all Group colleagues relative to dividends:

|                          | 2025<br>£m | 2024<br>£m | % change<br>% |
|--------------------------|------------|------------|---------------|
| Staff costs <sup>1</sup> | 297.2      | 246.6      | 20.5          |
| Dividends <sup>2</sup>   | 51.1       | 48.1       | 6.2           |

1 Note 5 of the consolidated financial statements.

2 Dividend paid to Breedon Group shareholders

## Directors' Remuneration report Annual report on remuneration

### 4E Implementation of the Policy in 2026

#### Base salaries

As explained in the annual statement on page 135, the changes to base salary effective from 1 April 2026 will be as follows:

- Chief Executive Officer: £721,000 (2025: £700,000)
- Chief Financial Officer: £500,000 (2025: £485,000)

#### Non-executive directors' fees

The fee for the non-executive chair for 2026 is £245,140 (2025: £238,000).

The fees payable to the non-executive directors for 2026 are:

- basic fee of £63,860 (2025: £62,000);
- an additional fee for holding the office of Senior Independent Director of £10,900;
- an additional fee for chairing the Audit & Risk, Remuneration or Sustainability Committees of £13,000; and
- an additional fee of £7,800 to the Designated Non-executive Director for Workforce Engagement.

#### Annual bonus

For 2026, the executive directors will have the opportunity to earn a bonus of up to 150% of salary. The bonus will be subject to stretching performance conditions based on Underlying EBITDA (75%) and corporate objectives (25%). Financial performance will continue to incorporate a capital employed moderator designed to incentivise a strong balance sheet and cash management and penalise poor performance in these areas. In addition, a quality of earnings assessment will apply in determining the financial bonus outcome. This subjective assessment of earnings would consider – in the round – whether the Underlying EBITDA outcome is reasonable taking into account other financial indicators, and assurance from the Audit & Risk Committee.

The performance targets contain confidential information and so are not disclosed on a prospective basis. The Committee intends to disclose the targets, and performance against them, in the 2026 Annual Report.

#### PSP awards

For 2026, it is anticipated that the CEO will receive an award with a face value of 200% of base salary and the CFO will receive an award of 175% of salary.

The awards will vest subject to the satisfaction of stretching performance conditions assessed over the three-year period ending 31 December 2028. These measures and weightings will be EPS 42.5%, relative TSR 42.5% and carbon reduction 15%, as detailed in the table below.

| Percentage of award that vests | Performance measure, weighting and targets range |                          |                                 |
|--------------------------------|--------------------------------------------------|--------------------------|---------------------------------|
|                                | Adjusted underlying diluted FY28 EPS             | TSR vs FTSE 250 excl. IT | Core carbon intensity reduction |
|                                | 42.5% weighting                                  | 42.5% weighting          | 15.0% weighting                 |
| 0%                             | Less than 34.6p                                  | Below Median TSR         | Less than 2.25%                 |
| 25%                            | 34.6p                                            | Median TSR               | 2.25%                           |
| 50%                            | 36.4p                                            | n/a                      | 3.00%                           |
| 100%                           | 40.0p                                            | Upper quartile TSR       | 3.75%                           |

#### Pauline Lafferty

Chair, Remuneration Committee

11 March 2026

## Directors' report

# Directors' report

The directors present their report, together with the audited financial statements, for the year ended 31 December 2025.

The Directors' report for the year ended 31 December 2025 is presented and includes sections of the Annual Report incorporated by reference. This includes the Governance report set out on pages 103 to 152, which, accordingly, should be read as part of this report. As permitted by legislation, some of the matters required to be included in the Directors' report have instead been included in the Strategic report as the Board considers them to be of strategic importance. Specifically, these are:

- pages 16 to 48 provide detailed information relating to a review of the market, our business model, strategy, business operations, future developments and the results and financial position for the year ended 31 December 2025;
- details of the Company's policy on addressing the principal risks and uncertainties facing the Company, which are set out in the Strategic report on pages 49 to 59;
- information as to the Group's greenhouse gas emissions for the year ended 31 December 2025, which can be found on page 87;
- how we have engaged with, and had regard to the interests of, our colleagues and stakeholders on pages 98 and 109 to 113;

- business relationships with suppliers, customers and other stakeholders on pages 98 and 109 to 113;
- research and development on pages 81 to 83; and
- principal risks and climate-related risks and opportunities on pages 49 to 59 and 89 to 95.

## Disclosures required under UKLR 6.6.1R

There is no additional information required to be disclosed in accordance with UKLR 6.6.1R of the Financial Conduct Authority's UK Listing Rules.

The Strategic report and the Directors' report together form the Management report for the purposes of the Disclosure Guidance and Transparency Rules (DTR) 4.1.8R.

## Principal activities

The principal activities of the Company are the quarrying of aggregates and manufacture and sale of construction materials and building products in GB, Ireland and the US, including cement, asphalt and ready-mixed concrete, and specialist building products together with the delivery of surfacing solutions as a further route to market for our construction

materials. Details of our subsidiaries can be found on pages 209 to 211.

## Dividends

The Company paid an interim dividend on 7 November 2025 of 4.75p per share to holders of ordinary shares of £0.01 who were on the register as at 3 October 2025. A final dividend of 10.25p per share will be proposed for shareholder approval at the AGM on 29 April 2026. If approved, the final dividend will be paid on 10 July 2026 to shareholders on the Register of Members on 29 May 2026.

## Annual General Meeting

The Annual General Meeting of the Company will be held at Pinnacle House, Breedon Quarry, Breedon on the Hill, DE73 8AP on 29 April 2026 at 2.00pm.

The formal notice convening the AGM, together with explanatory notes on the resolutions contained therein, is included in the separate circular accompanying this document and which is available on the Company's website.



Click or scan code to find out more

Directors’ report

Significant shareholdings

The Company has been notified in accordance with DTR 5 of the following significant interests in the issued share capital of the Company as at 31 December 2025 and the date of this report:

|                             | 31 December 2025 |                | 10 March 2026 |                |
|-----------------------------|------------------|----------------|---------------|----------------|
|                             | Number           | % <sup>1</sup> | Number        | % <sup>1</sup> |
| Abicad Holding Limited      | 67,054,894       | 19.35          | 67,054,894    | 19.35          |
| Blackrock, Inc.             | 25,193,171       | 7.25           | 25,193,171    | 7.25           |
| Lansdowne Partners (UK) LLP | 17,614,547       | 5.09           | 17,614,547    | 5.09           |
| GLG Partners LP             | 17,387,925       | 5.03           | 17,387,925    | 5.03           |
| Ameriprise Financial, Inc.  | 16,868,435       | 4.97           | 16,868,435    | 4.97           |

1 The percentage referenced in this table is the percentage as at the date of notification.

Capital structure

Details of the Company’s issued share capital and of the movements during the year are shown in note 17 to the consolidated financial statements. The Company has one class of ordinary shares which carries no right to fixed income. Each share carries the right to one vote at General Meetings of the Company. There are no restrictions on the transfer of shares, which are governed by both the general provisions of the Articles and prevailing legislation.

The directors are not aware of any agreements between holders of the Company’s shares that may result in restrictions on the transfer of securities or on voting rights. The Chair is recognised

by the Board as being a Person Closely Associated with Abicad Holding Limited. There are no persons holding shares carrying special rights regarding control of the Company.

Details of employee share schemes are set out in note 18 to the consolidated financial statements. No person has any special rights of control over the Company’s share capital.

The Company did not purchase or acquire any of its own shares in the financial year to 31 December 2025.

Under the Articles, the directors have authority to allot ordinary shares, subject to the aggregate nominal amount limit set at the AGM held on 29 April 2025 of

£1,145,516.58. Shareholders granted the Company authority to purchase up to an aggregate of 34,365,497 of its own shares. No shares have been purchased to date under this authority and, therefore, at 31 December 2025 the authority remained outstanding. Both authorities expire at the conclusion of the AGM to be held in 2026 or at 6.00pm on 28 July 2026 (whichever is sooner) and a resolution to renew the authorities will be put to shareholders at the forthcoming AGM. At 31 December 2025 the Company held no shares in treasury.

With regard to the appointment and replacement of directors, the Company is governed by its Articles, the UK Corporate Governance Code, the Companies Act 2006 and related legislation. Each director stands for election or re-election annually by shareholders at each AGM.

The Articles may be amended by Special Resolution of the shareholders.

Change of control

There are no significant agreements that take effect, alter or terminate on change of control of the Company following a takeover. However, there are a number of agreements that take effect after, alter, or terminate upon a change of control of the Company, such as commercial contracts, bank loan agreements, property

lease arrangements and employee share plans. None of these are considered to be significant in terms of their likely impact on the business of the Group as a whole. No agreements exist with the Company and its directors or employees for compensation for loss of office or employment that occurs because of a takeover bid.

Directors

Biographical details of the directors serving during the year and to the date of this report can be found on pages 104 and 105 and details of their service contracts are given in the Directors’ Remuneration report on page 140. The beneficial and non-beneficial interests of the directors and their connected persons in the shares of the Company at 31 December 2025 and as at the date of this report are disclosed in the Directors’ Remuneration report on page 145.

As set out in the Notice of Meeting, all the directors will retire at this year’s AGM and submit themselves for re-election by shareholders. All directors took part in the internal Board performance review in 2025.

Indemnity provisions

The Company maintains Directors’ and Officers’ liability insurance in respect of legal action that might be brought against its directors and officers. The Company

## Directors' report

has granted an indemnity in favour of its directors against certain liabilities that may be incurred as a result of their being in office to the extent permitted by Section 234 of the Companies Act 2006. The Company has not issued any qualifying pension scheme indemnity provisions.

### Colleagues

The Group recognises the importance of colleague involvement in the operation and development of its businesses, which are given autonomy, within a Group policy and structure, to enable management to be fully accountable for its own actions and gain maximum benefit from local knowledge. Colleagues are informed by regular consultation, intranet and internal newsletters of the progress of both their own business and the Group as a whole. We also provide the opportunity for colleague involvement in the Group's performance through participation in employee share schemes: Sharesave in GB and Ireland and the ESPP in the US.

The Group is committed to providing equal opportunities for individuals in all aspects of employment. It considers the skills and aptitudes of disabled persons in recruitment, career development, training and promotion. If existing colleagues become disabled, every effort is made to retain them, and retraining is arranged wherever possible.

Details of how the Board has engaged with employees can be found on pages 109 and 110, including details of how information has been provided to them and how their involvement has been encouraged.

### Political contributions

The Group did not make any contributions to political parties during the current or the previous year.

### Financial instruments

Details of the Group's financial instruments are set out in note 19 of the consolidated financial statements.

### Going Concern

The directors have continued to adopt the going concern basis in preparing the financial statements (see note 1 to the consolidated financial statements).

### Disclosure of information to auditor

The directors who hold office at the date of this report confirm that, so far as they are each aware, there is no relevant audit

information of which the Company's auditor is unaware and each director has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### Auditor

KPMG LLP has expressed willingness to continue in office and a resolution to re-appoint KPMG LLP will be proposed at the forthcoming AGM.

### Events after the reporting period

These have been disclosed within note 28 of the consolidated financial statements.

By order of the Board

**Amit Bhatia**  
Non-executive  
Chair  
11 March 2026

**Rob Wood**  
Chief Executive  
Officer

## Statement of directors' responsibilities

### Responsibility statement of the directors in respect of the Annual Report and financial statements

The directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 101 Reduced Disclosure Framework.

Under company law the 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 parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonable, relevant, and reliable and, in respect of the parent Company financial statements only, prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are responsible for preparing a Strategic report, Directors' report, Directors' Remuneration report and Corporate Governance statement that complies with that law and those regulations.

In accordance with DTR 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Responsibility statement of the directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

**Rob Wood**  
Chief Executive  
Officer  
11 March 2026

**James Brotherton**  
Chief Financial  
Officer

# Consolidated financial statements

|                                                |      |
|------------------------------------------------|------|
| Independent Auditor's report                   | »154 |
| Consolidated income statement                  | »164 |
| Consolidated statement of comprehensive income | »165 |
| Consolidated statement of financial position   | »166 |
| Consolidated statement of changes in equity    | »167 |
| Consolidated statement of cash flows           | »168 |
| Notes to the consolidated financial statements | »169 |



Independent Auditor’s report

Independent auditor’s report to the members of Breedon Group plc

1 Our opinion is unmodified

We have audited the financial statements of Breedon Group plc (“the Company”) for the year ended 31 December 2025 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows, the company balance sheet, the company statement of changes in equity, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the parent Company’s affairs as at 31 December 2025 and of the Group’s profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit & Risk Committee.

We were first appointed as auditor by the directors on 21 July 2023. The period of total uninterrupted engagement is for the three financial years ended 31 December 2025.

Prior to that we were also auditor to the Group’s previous parent company, but which, as it was listed on AIM, was not a public interest entity.

We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

|                                       |                                                                     |                                                       |
|---------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------|
| <b>Materiality:</b>                   |                                                                     | £7.6m (2024:£6.3m)                                    |
| Group financial statements as a whole |                                                                     | 0.4% of revenue (2024: 5% of Group profit before tax) |
| <b>Key audit matters</b>              |                                                                     | <b>vs 2024</b>                                        |
| <b>Recurring risks</b>                | Recoverability of goodwill allocated to the GB group of CGUs (“GB”) | ▲                                                     |
|                                       | Valuation of intangibles within acquisitions                        | ▼                                                     |
|                                       | Recoverability of parent company receivable                         | ◄►                                                    |

2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

## Independent Auditor's report

|                                                                                                                                                                                                                                                                                                                             | The risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Our response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Recoverability of Goodwill allocated to the GB group of CGUs</b></p> <p>(GB goodwill £308.1 million; 2024 (following reallocation as a result of restructuring): £306.3 million)</p> <p>Refer to page 116 (Audit &amp; Risk Committee Report), page 172 (accounting policy) and page 181 (financial disclosures).</p> | <p><b>Forecast-based assessment</b></p> <p>In previous years our key audit matter was in relation to the recoverability of goodwill allocated to Cement. However, following the restructuring to follow a new vertically integrated country-based model from 1 July 2025 for the US, GB and Ireland (the Cement CGU was split between the GB and Ireland groups of CGUs) resulting in a reallocation of goodwill in accordance with IAS 36. The effect of this is that we have now identified the recoverability of goodwill allocated to the GB group of CGUs as our key audit matter.</p> <p>Goodwill related to the GB group of CGUs is significant and at risk of recoverability due to continuing weak demand in UK construction, particularly housebuilding. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows.</p> <p>In addition, medium- and long-term targets to reduce carbon emissions, which are particularly relevant to the cement operations, could impact demand due to the price increases needed to recover these costs, substitute products becoming available or longer-term changes in consumer behaviour.</p> <p>The future cashflows are also dependent on the continued availability of limestone resources over the remaining life of the asset base and are subject to obtaining incremental planning permissions for quarries and plants.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the recoverable amount of the GB group of CGUs has a high degree of estimation uncertainty, with a potential range of reasonably possible outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 9) disclose the sensitivity estimated by the Group.</p> | <p>We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Assessing reallocation:</b> Consider the appropriateness of the reallocation of goodwill previously reported as Cement into GB and Ireland;</li> <li>— <b>Our sector experience:</b> Assess whether the assumptions used, including those relating to the levels of capital expenditure required to meet the Group's climate change commitments, reflect our knowledge of the business and industry, including known or probable changes in the business environment and the impact of climate change. We used our climate change professionals to assist us in challenging management's assumptions around transition costs;</li> <li>— <b>Historical comparisons:</b> Consider the historical forecasting accuracy, by comparing previously forecast cash flows to actual results achieved;</li> <li>— <b>Benchmarking assumptions:</b> Compare the Group's assumptions to externally derived data in relation to key inputs such as projected economic growth, cost inflation and discount rates;</li> <li>— <b>Sensitivity analysis:</b> Performing breakeven analysis on the assumptions noted above;</li> <li>— <b>Comparing valuations:</b> Compare the sum of the discounted cash flows to the Group's market capitalisation to assess the reasonableness of those cashflows; and</li> <li>— <b>Assessing disclosures:</b> Assess whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions, specifically those relating to climate change reflected the risks inherent in the recoverable amount of goodwill.</li> </ul> <p><b>Our results</b></p> <p>We found the Group's conclusion that there is no impairment of the goodwill related to the GB group of CGUs to be acceptable (2024 result: acceptable).</p> |

Independent Auditor’s report

|                                                                                                                                                                                                                                                                                                          | The risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Our response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Valuation of intangibles within the Lionmark acquisition</b></p> <p>(£135.9 million (£114.1 million of intangibles and £21.8 million of goodwill), 2024: N/A)</p> <p>Refer to page 116 (Audit &amp; Risk Committee Report), page 171 (accounting policy) and page 195 (financial disclosures).</p> | <p><b>Forecast-based valuation</b></p> <p>The Group has acquired the Lionmark business for £169.9m during the year, which has led to the recognition of £135.9m of acquired intangible assets. These intangible assets are initially measured at fair value as part of the purchase price allocation.</p> <p>The Purchase Price Allocation (‘PPA’) accounting is material in the context of the Group’s financial statements. Intangible assets and goodwill of £114.1m and £21.8m, respectively, were recognised on acquisition. There is a risk that recognised assets are not complete or not valued appropriately which would result in amortising or depreciating assets being understated.</p> <p>The extent of audit effort undertaken on the PPA accounting resulted in our determination that the PPA accounting is a key audit matter in the current period.</p> | <p>We performed the tests below rather than seeking to rely on any of the Group’s controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"><li>— <b>Methodology choice:</b> With the assistance of our own valuation specialists, assess the appropriateness of the methodology used in the valuation models by considering if it was in accordance with relevant accounting standards;</li><li>— <b>Our valuation expertise:</b> With the assistance of our own valuation specialists, challenge the appropriateness of the key assumptions underlying the intangible valuation, including the forecast cash flows and the discount rate;</li><li>— <b>Benchmarking assumptions:</b> Compare the Group’s assumptions for key inputs, such as revenue growth rates and customer attrition rates, to externally derived data and to other similar acquisitions;</li><li>— <b>Forecasting accuracy:</b> Challenge management on the reasonableness of assumptions for customer attrition rate and EBIT margin by comparing to post acquisition performance;</li><li>— <b>Assessing transparency:</b> Assess whether the Group’s disclosures about the sensitivity of the outcome of the intangibles valuation to changes in key assumptions, reflects the range of reasonably possible outcomes.</li></ul> <p><b>Our results</b></p> <p>We found the valuation of intangible assets recognised within the Lionmark acquisition to be acceptable (2024 result: not applicable).</p> |

Independent Auditor’s report

|                                                                                                                                                                                                                           | The risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Our response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Recoverability of parent company receivable</b><br>(£594.6 million; 2024: £554.9 million)<br><br>Refer to page 114 (Audit & Risk Committee Report), page 204 (accounting policy) and page 206 (financial disclosures). | <b>Low risk, high value</b><br><br>The carrying amount of the intra-group receivable with the intermediate holding company for the rest of the Group’s subsidiaries represents 99% (2024: 99%) of the parent Company’s total assets.<br><br>Its recoverability is not at a high risk of material misstatement or subject to significant judgement.<br><br>However, due to its materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit. | <p>We performed the tests below rather than seeking to rely on any of the parent Company’s controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"><li>— <b>Assessment of risk of default:</b> For the intermediate holding company the intragroup receivable is with, evaluate the likely risk of default with reference to the parent Company’s definition of default and forecasts of future profitability; and</li><li>— <b>Assessing subsidiary audits:</b> Assess the work performed by us and component auditors on that sample of subsidiaries, and consider the results of that work, on those subsidiaries’ profits, net assets and the likely risk of default on the intra-group balance.</li></ul> <p><b>Our results</b></p> <p>We found the intra-group debtor balance and the related expected credit loss impairment charge to be acceptable (2024: acceptable).</p> |

We continue to perform procedures over the restoration and decommissioning provision within the GB segment. However, following simplification of the methodology for calculation of the provision and application of external rates for pricing, the level of judgemental overlays within the model is reduced. In addition, a greater proportion of the movement in the provision is now attributed to the balance sheet reducing the opportunity for management bias of income statement results. As a result, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year.

## Independent Auditor’s report

### 3 Our application of materiality and an overview of the scope of our audit

#### Our application of materiality

Materiality for the Group financial statements as a whole was set at £7.6m (2024: £6.3m), determined with reference to a benchmark of Group revenue of which it represents 0.4% (2024: 5.0% of Group profit before tax).

The benchmark in the previous period was profit before tax from continuing operations (PBTCO). We selected Group revenue as the benchmark in the current period because this is a more reflective measure of growth of the business and a more stable measure year-on-year than Group profit before tax.

Materiality for the parent Company financial statements as a whole was set at £6.5m (2024: £5.5m), determined with reference to a benchmark of Company total assets, of which it represents 1.1% (2024: 1.0%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to £5.7m (2024: £4.7m) for the Group and £4.9m (2024: £4.1m) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

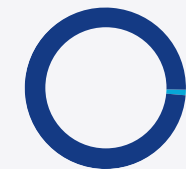
We agreed to report to the Audit & Risk Committee any corrected or uncorrected identified misstatements exceeding £0.4m (2024: £0.3m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

#### Overview of the scope of our audit

We performed risk assessment procedures to determine which of the Group’s components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

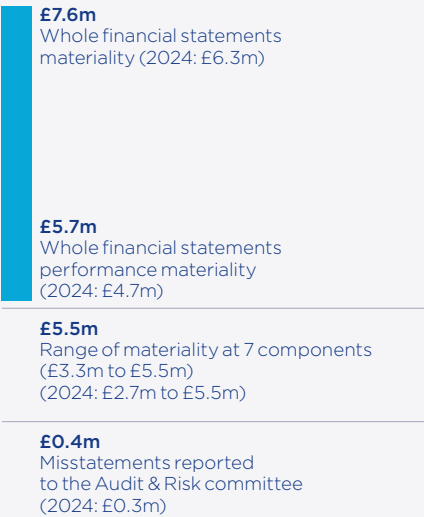
In total, we identified 38 (2024: 33) components, having considered our evaluation of the Group’s operational structure, the existence of common information systems, the existence of common risk profile across entities, and our ability to perform audit procedures centrally.

#### Group revenue £1.7bn (2024: £1.6bn)



■ Revenue  
■ Group materiality

#### Group materiality £7.6m (2024: £6.3m)



Of those, we identified three (2024: two) quantitatively significant components which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures.

Additionally, we selected four (2024: four) components with accounts contributing to the specific risks to the Group financial statements.

Accordingly, we performed audit procedures on six components. We involved component auditors on four (2024: two) components. We also performed the audit of the parent Company.

We set the component materialities, ranging from £3.3m to £5.5m (2024: £2.7m to £5.5m), having regard to size and risk profile.

## Independent Auditor's report

### 3 Our application of materiality and an overview of the scope of our audit continued

Our audit procedures covered 90% (2024: 85%) of Group revenue. We performed audit procedures in relation to components that accounted for 79% of Group profit before tax and 90% of Group total assets.

For the remaining components, no component represented more than 5% (2024: 6%) of Group total revenue or Group total assets, or more than 9% (2024: 9%) of Group profit before tax. We performed analysis at a Group level to re-examine our assessment that there is not a risk of material misstatement relating to these components.

The Group auditor performed the audit of the parent Company.

#### Impact of controls on our group audit

We identified the main centralised financial reporting, sales, and purchases IT systems and the separate financial reporting system used by one in-scope component as being relevant to the audit of the Group.

On this audit we take a predominantly substantive approach due to control findings identified in previous years and the current year in relation to the IT environment and manual journal entries, as well as our belief that for this audit a substantive audit approach is the most efficient and effective approach for gaining the appropriate audit evidence.

We adopted a data-oriented approach to auditing revenue and journals for two in-scope components by performing data and analytics routines. Given that we did not plan to rely on IT controls in our audit, a direct testing approach was used over the completeness and reliability of data used in these routines. In other areas of the audit, and in our audit of revenue for the other in-scope components, we planned and performed additional substantive testing rather than relying on controls.

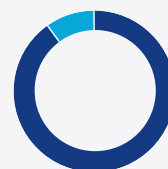
#### Group auditor oversight

In working with component auditors, we:

- included the component auditors' engagement partners and managers in the Group planning discussions to facilitate inputs from component auditors in the identification of matters relevant to the Group audit;
- issued Group audit instructions to component auditors on the scope and nature of their work;
- visited all (2024: one) component auditors in person as the audit progressed to understand and evaluate their work, along with video and telephone conferences. At these visits and meetings, the results of the planning procedures and further audit procedures communicated to us were discussed in more detail and any further work required by us was then performed by the component auditors; and
- we inspected the work performed by the component auditors for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed, with a particular focus on significant risks and other areas of focus, including revenue and receivables, cost of sales and creditors, inventory, payroll and provisions.

Our audit procedures covered the following percentage of Group revenue:

#### Group revenue



**90%**  
(2024: 85%)

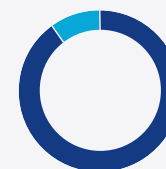
We performed audit procedures in relation to components that accounted for the following percentages of Group profit before tax and Group total assets:

#### Group profit before tax



**79%**  
(2024: 85%)

#### Group total assets



**90%**  
(2024: 88%)

## Independent Auditor's report

### 4 The impact of climate change in our audit

In planning our audit, we considered the potential impacts of climate change on the Group's business and its financial statements.

The Group has set out its targets to achieve a 23.3% reduction in absolute gross scope 1 and 2 emissions, and scope 3 emissions from purchased clinker and cement compared to a 2022 baseline.

However, whilst the Group has set targets to be carbon neutral by 2050, the gross cost of this transition, how the demand for cement might be impacted by the price increases needed to recover these costs, the possibility of substitute products becoming available and the longer-term changes in customer behaviour are not yet known. It is therefore possible that the future carrying amounts of assets will be impacted due to the outcome of these judgements and estimates as the Group responds to its climate change targets.

To the extent there are known implications, these have been reflected in the financial statements in accordance with IFRS requirements. Our key audit matter on the recoverability of goodwill allocated to the GB CGU explains how we have assessed the Group's climate related assumptions and relevant disclosures in arriving at our audit conclusions. This included holding discussions with our own climate change professionals to challenge our risk assessment.

We have also read the Group's disclosure of climate related information in the Strategic report of the Annual Report and compared this to our knowledge gained from our financial statement audit work which includes the disclosures as recommended by the TCFD on pages 88 to 95 of the Annual Report.

### 5 Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and parent Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Group's and parent Company's available financial resources over this period was the ability of the Group to comply with debt covenants.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by comparing severe, but plausible, downside scenarios that could arise from these risks individually and collectively against the level of available financial resources and covenants indicated by the Group's financial forecasts.

We considered whether the going concern disclosure in note 1 to the consolidated financial statements and note 1 to the parent Company financial statements gives a full and accurate description of the assessment of going concern.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period;
- we found the going concern disclosure in note 1 to be acceptable; and
- the related statement under the UK Listing Rules set out on page 61 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

## Independent Auditor's report

### 6 Fraud and breaches of laws and regulations – ability to detect

#### Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors and other management, and inspection of policy documentation, as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board, Audit & Risk Committee, and Remuneration Committee minutes;
- considering remuneration incentive schemes and performance targets for management and the directors;
- using analytical procedures to identify any unusual or unexpected relationships;
- considering the existence of significant unusual transactions.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group auditor to component auditors of relevant fraud risks identified at the Group level and requesting component auditors performing procedures at the component level to report to the Group auditor any identified fraud risk factors or identified or suspected instances of fraud.

As required by auditing standards, and taking into account possible pressures to meet profit targets, our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the valuation of goodwill. On this audit we do not believe there is a fraud risk related to revenue recognition because product revenue recognition is straightforward and contract revenue contains limited management judgement, therefore limiting the opportunity to commit a material fraud. We did not identify any additional fraud risks.

We performed procedures including:

- identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These include journal entries to external revenue with a corresponding entry to an unrelated account;

- evaluating the business purpose of significant unusual transactions;
- incorporating an element of unpredictability in our audit procedures; and
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

#### Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group auditor to component auditors of relevant laws and regulations identified at the Group level, and a request for component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation.

We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law and certain aspects of company legislation recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

## Independent Auditor's report

### 6 Fraud and breaches of laws and regulations – ability to detect continued

#### Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### 7 We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

#### Strategic report and Directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

#### Directors' Remuneration report

In our opinion the part of the Directors' Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

#### Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the Viability Statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the compliance against the Code section on page 130 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the principal risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability Statement, set out on page 61 under the UK Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

#### Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

## Independent Auditor's report

### 7 We have nothing to report on the other information in the Annual Report continued

- the directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the Annual Report describing the work of the Audit & Risk Committee, including the significant issues that the Audit & Risk Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the Annual Report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the UK Listing Rules for our review. We have nothing to report in this respect.

### 8 We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

## 9 Respective responsibilities

### Directors' responsibilities

As explained more fully in their statement set out on page 152, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; assessing the Group and parent 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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

### 10 The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Anna Barrell** (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

One Snowhill  
Snowhill Queensway  
Birmingham  
B4 6GH

11 March 2026

## Consolidated income statement

For the year ended 31 December 2025

|                                                 | Note | 2025             |                                       |               | 2024             |                                       |               |
|-------------------------------------------------|------|------------------|---------------------------------------|---------------|------------------|---------------------------------------|---------------|
|                                                 |      | Underlying<br>£m | Non-<br>underlying <sup>1</sup><br>£m | Total<br>£m   | Underlying<br>£m | Non-<br>underlying <sup>1</sup><br>£m | Total<br>£m   |
| Revenue                                         | 2    | 1,713.8          | -                                     | 1,713.8       | 1,576.3          | -                                     | 1,576.3       |
| Operating expenses                              | 3, 4 | (1,548.2)        | (34.9)                                | (1,583.1)     | (1,406.1)        | (24.1)                                | (1,430.2)     |
| <b>Group operating profit</b>                   |      | <b>165.6</b>     | <b>(34.9)</b>                         | <b>130.7</b>  | <b>170.2</b>     | <b>(24.1)</b>                         | <b>146.1</b>  |
| Share of profit of associate and joint ventures | 10   | 4.1              | -                                     | 4.1           | 3.5              | -                                     | 3.5           |
| <b>Profit from operations</b>                   | 2    | <b>169.7</b>     | <b>(34.9)</b>                         | <b>134.8</b>  | <b>173.7</b>     | <b>(24.1)</b>                         | <b>149.6</b>  |
| Financial income                                | 6    | 0.2              | -                                     | 0.2           | 1.2              | -                                     | 1.2           |
| Financial expense                               | 3, 6 | (29.7)           | -                                     | (29.7)        | (24.1)           | (1.3)                                 | (25.4)        |
| <b>Profit before taxation</b>                   |      | <b>140.2</b>     | <b>(34.9)</b>                         | <b>105.3</b>  | <b>150.8</b>     | <b>(25.4)</b>                         | <b>125.4</b>  |
| Tax at effective rate                           | 3, 7 | (29.9)           | 8.5                                   | (21.4)        | (32.7)           | 3.6                                   | (29.1)        |
| <b>Taxation</b>                                 |      | <b>(29.9)</b>    | <b>8.5</b>                            | <b>(21.4)</b> | <b>(32.7)</b>    | <b>3.6</b>                            | <b>(29.1)</b> |
| <b>Profit for the year</b>                      |      | <b>110.3</b>     | <b>(26.4)</b>                         | <b>83.9</b>   | <b>118.1</b>     | <b>(21.8)</b>                         | <b>96.3</b>   |
| <b>Attributable to:</b>                         |      |                  |                                       |               |                  |                                       |               |
| Breedon Group shareholders                      |      | 110.2            | (26.4)                                | 83.8          | 118.0            | (21.8)                                | 96.2          |
| Non-controlling interests                       |      | 0.1              | -                                     | 0.1           | 0.1              | -                                     | 0.1           |
| <b>Profit for the year</b>                      |      | <b>110.3</b>     | <b>(26.4)</b>                         | <b>83.9</b>   | <b>118.1</b>     | <b>(21.8)</b>                         | <b>96.3</b>   |

1 Non-underlying items represent acquisition-related expenses, property gains or losses, redundancy, reorganisation and other costs, cement decarbonisation costs, amortisation of acquired intangibles, unamortised banking arrangement fees (where applicable) and related tax items.

### Earnings per share

|         |    |       |       |
|---------|----|-------|-------|
| Basic   | 23 | 24.2p | 28.1p |
| Diluted | 23 | 24.2p | 28.0p |

Underlying earnings per share are shown in note 23.

### Dividends in respect of the year

|                    |    |       |       |
|--------------------|----|-------|-------|
| Dividend per share | 17 | 15.0p | 14.5p |
|--------------------|----|-------|-------|

## Consolidated statement of comprehensive income

For the year ended 31 December 2025

|                                                                                   | Note | 2025<br>£m    | 2024<br>£m |
|-----------------------------------------------------------------------------------|------|---------------|------------|
| <b>Profit for the year</b>                                                        |      | <b>83.9</b>   | 96.3       |
| <b>Other comprehensive (expense)/income</b>                                       |      |               |            |
| <i>Items which may be reclassified subsequently to profit and loss:</i>           |      |               |            |
| Foreign exchange differences on translation of foreign operations, net of hedging |      | <b>(16.3)</b> | (6.0)      |
| Effective portion of changes in fair value of cash flow hedges                    |      | <b>(6.9)</b>  | 0.8        |
| Taxation on items taken directly to other comprehensive (expense)/income          | 7    | <b>1.5</b>    | -          |
| <b>Other comprehensive expense for the year</b>                                   |      | <b>(21.7)</b> | (5.2)      |
| <b>Total comprehensive income for the year</b>                                    |      | <b>62.2</b>   | 91.1       |
| <b>Total comprehensive income for the year is attributable to:</b>                |      |               |            |
| Breedon Group shareholders                                                        |      | <b>62.1</b>   | 91.0       |
| Non-controlling interests                                                         |      | <b>0.1</b>    | 0.1        |
|                                                                                   |      | <b>62.2</b>   | 91.1       |

## Consolidated statement of financial position

As at 31 December 2025

|                                            | Note | 2025<br>£m       | 2024 Restated <sup>1</sup><br>£m |                                                                | Note | 2025<br>£m | 2024 Restated <sup>1</sup><br>£m |
|--------------------------------------------|------|------------------|----------------------------------|----------------------------------------------------------------|------|------------|----------------------------------|
| <b>Non-current assets</b>                  |      |                  |                                  | <b>Equity attributable to Breedon Group shareholders</b>       |      |            |                                  |
| Property, plant and equipment              | 8    | 996.1            | 939.1                            | Share capital                                                  | 17   | 3.5        | 3.4                              |
| Right-of-use assets                        | 20   | 45.3             | 46.5                             | Share premium                                                  | 17   | 5.4        | 2.0                              |
| Intangible assets                          | 9    | 792.1            | 686.3                            | Hedging reserve                                                | 17   | (5.1)      | 0.3                              |
| Investment in associate and joint ventures | 10   | 14.7             | 15.0                             | Translation reserve                                            | 17   | (26.0)     | (9.7)                            |
| Trade and other receivables                | 13   | 3.4              | -                                | Merger reserve                                                 | 17   | 100.7      | 92.7                             |
| Total non-current assets                   |      | 1,851.6          | 1,686.9                          | Retained earnings                                              |      | 1,118.2    | 1,081.5                          |
| <b>Current assets</b>                      |      |                  |                                  | <b>Total equity attributable to Breedon Group shareholders</b> |      | 1,196.7    | 1,170.2                          |
| Inventories                                | 12   | 127.1            | 135.7                            | <b>Non-controlling interests</b>                               |      |            |                                  |
| Trade and other receivables                | 13   | 263.4            | 261.0                            |                                                                |      | 0.5        | 0.4                              |
| Current tax receivable                     |      | -                | 1.5                              | <b>Total equity</b>                                            |      | 1,197.2    | 1,170.6                          |
| Cash and cash equivalents                  | 14   | 115.5            | 70.0                             |                                                                |      |            |                                  |
| Total current assets                       |      | 506.0            | 468.2                            |                                                                |      |            |                                  |
| <b>Total assets</b>                        |      | <b>2,357.6</b>   | <b>2,155.1</b>                   |                                                                |      |            |                                  |
| <b>Current liabilities</b>                 |      |                  |                                  |                                                                |      |            |                                  |
| Interest-bearing loans and borrowings      | 14   | (49.1)           | (49.8)                           |                                                                |      |            |                                  |
| Trade and other payables                   | 15   | (285.9)          | (283.6)                          |                                                                |      |            |                                  |
| Current tax payable                        |      | (2.1)            | -                                |                                                                |      |            |                                  |
| Provisions                                 | 16   | (38.0)           | (30.0)                           |                                                                |      |            |                                  |
| Total current liabilities                  |      | (375.1)          | (363.4)                          |                                                                |      |            |                                  |
| <b>Non-current liabilities</b>             |      |                  |                                  |                                                                |      |            |                                  |
| Interest-bearing loans and borrowings      | 14   | (593.7)          | (425.5)                          |                                                                |      |            |                                  |
| Provisions                                 | 16   | (88.7)           | (91.4)                           |                                                                |      |            |                                  |
| Deferred tax liabilities                   | 11   | (102.9)          | (104.2)                          |                                                                |      |            |                                  |
| Total non-current liabilities              |      | (785.3)          | (621.1)                          |                                                                |      |            |                                  |
| <b>Total liabilities</b>                   |      | <b>(1,160.4)</b> | <b>(984.5)</b>                   |                                                                |      |            |                                  |
| <b>Net assets</b>                          |      | <b>1,197.2</b>   | <b>1,170.6</b>                   |                                                                |      |            |                                  |

<sup>1</sup> Refer to note 29 for details of the restatement.

These financial statements were approved by the Board of Directors on 11 March 2026 and were signed on its behalf by:

|                         |                         |
|-------------------------|-------------------------|
| <b>Rob Wood</b>         | <b>James Brotherton</b> |
| Chief Executive Officer | Chief Financial Officer |

## Consolidated statement of changes in equity

For the year ended 31 December 2025

|                                         | Note | Share capital<br>£m | Share premium<br>£m | Hedging reserve<br>£m | Translation reserve<br>£m | Merger reserve<br>£m | Retained earnings<br>£m | Attributable to Breedon Group shareholders<br>£m | Non-controlling interests<br>£m | Total equity<br>£m |
|-----------------------------------------|------|---------------------|---------------------|-----------------------|---------------------------|----------------------|-------------------------|--------------------------------------------------|---------------------------------|--------------------|
| <b>Balance at 1 January 2024</b>        |      | 3.4                 | 0.7                 | (0.5)                 | (3.7)                     | 80.5                 | 1,030.0                 | 1,110.4                                          | 0.3                             | 1,110.7            |
| Shares issued                           | 17   | -                   | 1.3                 | -                     | -                         | 12.2                 | -                       | 13.5                                             | -                               | 13.5               |
| Transfer to non-controlling interests   | 17   | -                   | -                   | -                     | -                         | -                    | (0.2)                   | (0.2)                                            | 0.2                             | -                  |
| Dividends paid                          | 17   | -                   | -                   | -                     | -                         | -                    | (48.1)                  | (48.1)                                           | (0.2)                           | (48.3)             |
| Total comprehensive income for the year |      | -                   | -                   | 0.8                   | (6.0)                     | -                    | 96.2                    | 91.0                                             | 0.1                             | 91.1               |
| Share-based payments <sup>1</sup>       | 18   | -                   | -                   | -                     | -                         | -                    | 3.6                     | 3.6                                              | -                               | 3.6                |
| <b>Balance at 31 December 2024</b>      |      | 3.4                 | 2.0                 | 0.3                   | (9.7)                     | 92.7                 | 1,081.5                 | 1,170.2                                          | 0.4                             | 1,170.6            |
| Shares issued                           | 17   | 0.1                 | 3.4                 | -                     | -                         | 8.0                  | -                       | 11.5                                             | -                               | 11.5               |
| Transfer to non-controlling interests   | 17   | -                   | -                   | -                     | -                         | -                    | (0.4)                   | (0.4)                                            | 0.4                             | -                  |
| Dividends paid                          | 17   | -                   | -                   | -                     | -                         | -                    | (51.1)                  | (51.1)                                           | (0.4)                           | (51.5)             |
| Total comprehensive income for the year |      | -                   | -                   | (5.4)                 | (16.3)                    | -                    | 83.8                    | 62.1                                             | 0.1                             | 62.2               |
| Share-based payments <sup>1</sup>       | 18   | -                   | -                   | -                     | -                         | -                    | 4.4                     | 4.4                                              | -                               | 4.4                |
| <b>Balance at 31 December 2025</b>      |      | 3.5                 | 5.4                 | (5.1)                 | (26.0)                    | 100.7                | 1,118.2                 | 1,196.7                                          | 0.5                             | 1,197.2            |

1 Share-based payments are shown inclusive of deferred tax recognised in equity.

## Consolidated statement of cash flows

For the year ended 31 December 2025

|                                                                              | Note | 2025<br>£m | 2024<br>£m |                                                             | Note | 2025<br>£m | 2024<br>£m |
|------------------------------------------------------------------------------|------|------------|------------|-------------------------------------------------------------|------|------------|------------|
| <b>Cash flows from operating activities</b>                                  |      |            |            | <b>Cash flows used in financing activities</b>              |      |            |            |
| Profit for the year                                                          |      | 83.9       | 96.3       | Dividends paid                                              | 17   | (51.5)     | (48.3)     |
| <b>Adjustments for:</b>                                                      |      |            |            | Proceeds from the issue of shares (net of costs)            | 17   | 1.2        | 1.3        |
| Depreciation and mineral depletion                                           | 4    | 113.2      | 99.7       | Proceeds from interest-bearing loans                        |      | 166.0      | 357.4      |
| Amortisation                                                                 | 9    | 25.3       | 12.5       | Repayment of interest-bearing loans                         |      | (22.1)     | (304.0)    |
| Provisions charged to the income statement                                   | 16   | 4.0        | -          | Debt arrangement fees                                       | 14   | (0.9)      | -          |
| Financial income                                                             | 6    | (0.2)      | (1.2)      | Repayment of lease obligations                              |      | (10.4)     | (9.4)      |
| Financial expense                                                            | 6    | 29.7       | 25.4       | <b>Net cash used in financing activities</b>                |      | 82.3       | (3.0)      |
| Share of profit of associate and joint ventures                              | 10   | (4.1)      | (3.5)      | <b>Net increase/(decrease) in cash and cash equivalents</b> |      | 43.0       | (97.5)     |
| Gain on sale of property, plant and equipment                                | 3, 4 | (4.6)      | (1.7)      | Cash and cash equivalents at 1 January                      |      | 28.9       | 126.9      |
| Share-based payments                                                         | 5    | 4.6        | 3.3        | Foreign exchange differences                                |      | (0.3)      | (0.5)      |
| Taxation                                                                     | 7    | 21.4       | 29.1       | <b>Cash and cash equivalents at 31 December</b>             |      | 71.6       | 28.9       |
| <b>Operating cash flows before changes in working capital and provisions</b> |      | 273.2      | 259.9      |                                                             |      |            |            |
| Decrease/(increase) in inventories                                           |      | 13.5       | (8.4)      |                                                             |      |            |            |
| Decrease in trade and other receivables                                      |      | 6.0        | 10.5       |                                                             |      |            |            |
| Decrease in trade and other payables                                         |      | (19.7)     | (15.6)     |                                                             |      |            |            |
| Decrease in provisions                                                       |      | (3.6)      | (3.1)      |                                                             |      |            |            |
| <b>Cash generated from operating activities</b>                              |      | 269.4      | 243.3      |                                                             |      |            |            |
| Interest paid                                                                |      | (21.9)     | (15.9)     |                                                             |      |            |            |
| Interest element of lease payments                                           |      | (2.8)      | (2.9)      |                                                             |      |            |            |
| Interest received                                                            |      | 0.2        | 1.2        |                                                             |      |            |            |
| Income taxes paid                                                            |      | (19.0)     | (24.0)     |                                                             |      |            |            |
| <b>Net cash from operating activities</b>                                    |      | 225.9      | 201.7      |                                                             |      |            |            |
| <b>Cash flows used in investing activities</b>                               |      |            |            |                                                             |      |            |            |
| Acquisition of businesses                                                    | 25   | (159.9)    | (173.6)    |                                                             |      |            |            |
| Dividends from associate and joint ventures                                  | 10   | 5.2        | 3.0        |                                                             |      |            |            |
| Purchase of property, plant and equipment                                    | 8    | (120.1)    | (131.3)    |                                                             |      |            |            |
| Proceeds from sale of property, plant and equipment                          |      | 9.6        | 5.7        |                                                             |      |            |            |
| <b>Net cash used in investing activities</b>                                 |      | (265.2)    | (296.2)    |                                                             |      |            |            |

## Notes to the consolidated financial statements

### 1 Accounting policies

Breedon Group plc ('the Company') is a public limited company, limited by shares, which is listed on the London Stock Exchange and incorporated and domiciled in England and Wales. The registered number is 14739556 and the registered office is Pinnacle House, Breedon Quarry, Breedon on the Hill, Derby, DE73 8AP, England.

#### Basis of preparation

These financial statements consolidate the results of the Company and subsidiary undertakings, and equity accounts for the Group's interests in its associate and joint ventures (collectively 'the Group').

#### Principal activities

The principal activities of the Group are the quarrying of aggregates together with manufacture and sale of construction materials and building products. The Group's key outputs include cement, asphalt and ready-mixed concrete, together with related activities in Great Britain, Ireland and the United States.

#### Applicable laws and accounting standards

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards. The consolidated financial statements have been prepared under the historical cost convention except for the revaluation to fair value of certain financial instruments. The accounting policies set out below

have, unless otherwise stated, been applied consistently throughout the year.

#### Presentation currency

These financial statements are presented in Sterling. All financial information presented has been rounded to the nearest £0.1m unless otherwise stated.

#### Basis of consolidation

Subsidiary undertakings are entities controlled by the Group. Control exists when the Group is exposed to or has rights to variable returns from its investment and has the ability to affect those returns through its power over the investee. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

The Group considers an entity to be a subsidiary undertaking when the Group has control over the entity. Ordinarily this is when the Group holds more than 50% of the shares and voting rights. Subsidiary undertakings are consolidated in accordance with IFRS 10 Consolidated Financial Statements.

Associates are those entities in which the Group holds more than 20% of the shares and voting rights and has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control, requiring unanimous consent of the owners for strategic financial and operating decisions.

### Going Concern

These financial statements are prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The Group meets day-to-day working capital and other funding requirements through banking facilities, which include an overdraft facility. Longer-term debt financing is accessed through the Group's USPP loan note programme.

The Group's borrowing facilities at 31 December 2025 comprised a £400m multi-currency RCF committed to July 2029 and USPP loan notes (£170m denominated in Sterling and €189m denominated in Euro), with maturities between 2028 and 2036. Further details are provided in note 19 to these financial statements.

During 2025, the Group comfortably met all covenants and other terms of its borrowing agreements. The Group has continued its track record of generating profits and cash, with an overall profit before taxation of £105.3m and net cash from operating activities of £225.9m.

The Group has prepared cash flow forecasts for a period of 12 months from the date of signing these financial statements, which show a sustained trend of profitability, cash generation and retained covenant headroom, even under a 'severe but plausible' downside scenario of forecast cash flows.

The base case assumes a trading performance delivered in line with market consensus over the forecast period, while the downside scenario models a 5-10% reduction in revenues, which the Group believes is a severe sensitivity relative to likely outcomes and historic experience.

As at 31 December 2025, the Group had cash balances of £115.5m and undrawn banking facilities in excess of £130m. At the date of this report, the Group retains a similar level of liquidity, which is expected to provide sufficient available funds for the Group to discharge its liabilities as they fall due.

Consequently, the directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

## Notes to the consolidated financial statements

### 1 Accounting policies continued

#### Basis of preparation continued

The consolidated financial statements include the Group's share of the total comprehensive income of its associate and joint ventures, on an equity accounted basis, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an associate or joint venture, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an associate or joint venture.

#### Accounting estimates and judgements

The preparation of the financial statements requires the use of certain critical accounting estimates, and for management to exercise judgement in the process of applying the Group's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 26.

#### New IFRS Standards and Interpretations adopted in the year

The Group adopted amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates from 1 January 2025. The adoption of this standard

has not had a material impact on the financial statements.

#### New IFRS Standards and Interpretations not adopted

IFRS 18 Presentation and Disclosure in Financial Statements is effective for periods beginning on or after 1 January 2027. The Group does not intend to adopt the standard early. IFRS 18 is expected to impact the presentation and disclosure of information in the Group's financial statements but is not expected to have a material impact on recognition or measurement.

At the date on which these financial statements were authorised, there were no further Standards, Interpretations and Amendments which had been issued but were not effective for the year ended 31 December 2025 that are expected to have a material impact on the Group's financial statements in the future.

#### Foreign exchange

##### Foreign exchange transactions

Transactions in foreign currencies are recorded at the spot rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the balance sheet date, with all currency translation differences recognised within the consolidated income statement, except for those monetary items that provide an effective hedge for a net investment in a foreign operation.

#### Foreign exchange translation

The consolidated financial statements are presented in Sterling, which is the presentational currency of the Group. The individual financial statements of the Group's subsidiaries and joint ventures with a functional currency other than Sterling are translated into Sterling according to IAS 21.

Results and cash flows are translated monthly using average monthly exchange rates. Accumulated assets and liabilities are translated using the closing rates at the reporting date and equity is translated at historic exchange rates.

The resulting translation differences are recognised in the consolidated statement of comprehensive income until the subsidiary is disposed of. Goodwill and fair value adjustments arising on acquisition of a foreign operation are regarded as assets and liabilities of the foreign operation and are translated accordingly.

#### Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. The principal financial assets and liabilities of the Group are as follows:

##### Trade and other receivables and trade and other payables

Trade and other receivables and trade and other payables are initially recognised at fair value and are then stated at amortised cost.

#### Contract assets and liabilities

Contract assets, presented within trade and other receivables, primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on surfacing contracts. The contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities, presented within trade and other payables, primarily relate to the advance consideration received from customers on these contracts.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, including bank deposits and money-market funds with original maturities of three months or less. For the purposes of the consolidated statement of cash flows, bank overdrafts are included in cash and cash equivalents as they are an integral part of the Group's cash management.

#### Bank and other borrowings

Interest-bearing bank loans, overdrafts and other loans, including USPP loan notes, are recognised initially at fair value less attributable transaction costs.

All borrowings are subsequently stated at amortised cost with the difference between initial net proceeds and redemption value recognised in the consolidated income statement over the period to redemption on an effective interest basis.

## Notes to the consolidated financial statements

### 1 Accounting policies continued

#### Derivative financial instruments

The majority of the Group's strategic hedging programme is delivered using executory contracts to forward purchase commodities for our own use. The cost is recognised in the consolidated income statement at the agreed forward rates on receipt of the underlying items.

The Group uses financial instruments to manage financial risks associated with the Group's underlying business activities and the financing of those activities.

The Group does not undertake any trading in financial instruments.

Derivatives are initially recognised at fair value and subsequently remeasured in future periods at fair value. The gain or loss on remeasurement is recognised immediately in profit or loss, unless a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability.

In this instance the effective part of any gain or loss is recognised in the consolidated statement of comprehensive income and in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the consolidated income statement.

Amounts recorded in the hedging reserve are subsequently reclassified to the consolidated income statement when the expense for the hedged transaction is actually recognised.

To qualify for hedge accounting, the hedging relationship must meet several conditions with respect to documentation, probability of occurrence, hedge effectiveness and reliability of measurement.

At the inception of the transaction, the Group documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking the hedge transaction.

This process includes linking all derivatives designated as hedges to specific assets and liabilities or to specific firm commitments or forecast transactions.

The Group documents an assessment, at hedge inception and on an annual basis, as to whether the derivatives that are used in hedging transactions have been, and are likely to continue to be, effective in offsetting changes in fair value or cash flows of hedged items.

#### Mineral reserves and resources

Mineral reserves and resources are stated at cost, including both the purchase price and costs incurred to gain access to the reserves, including costs of planning and initial site development. The value of mineral reserves and resources recognised as a result of business combinations is based on the fair value at the point of acquisition.

Mineral assets are depreciated using a physical unit-of-production method, over the commercial life of the quarry.

#### Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged to the consolidated income statement on a straight-line basis over the estimated useful lives of assets, in order to write off the cost or deemed cost of assets.

The estimated useful lives are as follows:

|                           |                |
|---------------------------|----------------|
| Freehold buildings        | 50 years       |
| Fixtures and fittings     | up to 10 years |
| Office equipment          | up to 5 years  |
| Fixed plant               | up to 35 years |
| Loose plant and machinery | up to 10 years |
| Motor vehicles            | up to 10 years |

No depreciation is provided on freehold land.

#### Business combinations, intangible assets and goodwill

The Group measures goodwill as the fair value of the purchase consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the fair value of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Fair value adjustments are always considered to be provisional for the first twelve months after the acquisition.

Goodwill arising on the acquisition of subsidiary undertakings is recognised as an asset in the consolidated statement of financial position and is subject to an annual impairment review.

Other intangible assets that are acquired by the Group as part of a business combination are stated at cost less accumulated amortisation and impairment losses.

Cost reflects management's judgement of the fair value of the individual intangible asset calculated by reference to the net present value of future economic benefits accruing to the Group from the utilisation of the asset, discounted at an appropriate rate. Cash flow projections are based on management's estimate of economic and market conditions, as well as operating margins, capital expenditure, customer attrition rates and working capital requirements. Other intangibles arising on the acquisition of associated undertakings are included within the carrying value of the investment.

Amortisation is based on the estimated useful economic lives of the assets concerned, which is considered by the directors to be a period of up to 20 years.

The Group measures non-controlling interests at a proportionate share of the recognised amount of the identifiable net assets at the acquisition date.

Where the Group has entered into put options relating to a minority shareholding as part of a transaction, the Group applies the 'anticipated acquisition' method to account for the put liability and does not recognise a separate non-controlling interest within reserves. Subsequent changes in the value of the put liability are recognised within equity.

## Notes to the consolidated financial statements

### 1 Accounting policies continued

#### Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than goodwill, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment; including an assessment of any indication of impairment arising as a result of climate change.

Impairment reviews are undertaken at the level of each significant cash-generating unit, which is no larger than an operating segment as defined by IFRS 8 Operating Segments. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or Cash-Generating Unit (CGU) is the greater of the value in use and the fair value less costs to sell.

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 in respect of goodwill is not reversed. In respect of other assets, 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, net of depreciation or amortisation, if no impairment loss had been recognised.

#### Impairment of financial assets

The Group recognises loss allowances for expected credit losses (ECLs) on financial and contract assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12-month ECLs.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

In the case of manufactured inventories and work in progress, cost includes an apportionment of overheads, including mineral depletion where relevant. The level of overheads included in the cost of inventory is based on normal operating capacity.

Net realisable value is determined with reference to sales prices less cost to sell and, in the case of obsolete stock, on an excess stock model of sales relative to inventories held.

#### Emissions rights

The Group is required to purchase carbon emissions credits to settle liabilities under both EU and UK ETS. Assets and liabilities arising in respect of emission rights are presented on a net basis in the consolidated financial statements.

Where an emissions credit is received for nil cost, these are initially measured at a nominal value of zero. An emissions liability is recognised only in circumstances where emissions have exceeded the allowance for a scheme, from the perspective of the Group as a whole, and will require the purchase of additional allowances to settle an emissions liability.

Emission credits purchased for consideration are measured using the weighted average cost principle and presented within inventories where the net value is in excess of emissions liabilities.

Carbon credits are derecognised when they are surrendered to settle emissions obligations, sold or transferred, or when the Group no longer controls the credits.

On derecognition, the carrying amount of the credits is removed from the statement of financial position and any resulting gain or loss is recognised in the consolidated income statement. Credits surrendered to meet compliance obligations are recognised as an operating expense. Gains or losses on the sale of carbon credits are recognised within operating profit.

#### Retirement benefits

The Group does not operate any defined benefit plans. Obligations for contributions to defined contribution pension plans are recognised as an expense in the consolidated income statement as incurred.

#### Provisions

A provision is recognised in the consolidated statement of financial position when the Group has a present legal or constructive obligation, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

## Notes to the consolidated financial statements

### 1 Accounting policies continued

#### Provisions continued

The Group provides for the costs of decommissioning and restoration where an obligation arises to comply with contractual, environmental, planning and other legislation.

The initial cost of creating provisions on commencement of operations is included in property, plant and equipment and depreciated over the life of the plant.

Changes in the measurement of a previously capitalised provision that result from changes in the estimated timing or amount of cash outflows are added to, or deducted from, the cost of the related asset unless a deduction would reduce the asset to below zero.

All other changes are recognised in the consolidated income statement, including incremental extraction of minerals which increase the level of restoration provisions and any decreases in liability in excess of the carrying amount of a capitalised asset.

All provisions are discounted to their present value at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

#### Revenue

Group revenue arises from the sale of goods and the provision of services. IFRS 15 Revenue from Contracts with Customers requires revenue to be recognised in line with a principles-based five-step model. This requires the Group

to identify its performance obligations, determine the transaction price applicable to each of these performance obligations and then to select an appropriate method for the timing of revenue recognition, reflecting the substance of the performance obligation, being either recognition at a point in time or over time.

#### Revenue from sale of goods

The majority of the Group's revenue is derived from the sale of physical goods to customers. Depending on whether the goods are delivered to or collected by the customer, the contract contains either one performance obligation which is satisfied at the point of collection, or two performance obligations which are satisfied simultaneously at the point of delivery.

The transaction price for this revenue is the amount which can be invoiced to the customer once the performance obligations are fulfilled, reduced to reflect provisions recognised for returns, trade discounts and rebates. Where the Group offers discounts or volume rebates, the variable element of revenue is recognised only to the extent that it is deemed highly probable that a significant reversal in revenue will not occur. This value excludes items collected on behalf of third parties, such as sales taxes.

For all sales of goods, revenue is recognised at a point in time, being the point that the goods are transferred to the customer.

#### Revenue from the provision of services

The majority of service revenue relates to surfacing and comprises short-term performance obligations to supply and lay materials. Other service revenue can contain more than one performance obligation dependent on the nature of the contract.

The transaction price is calculated as consideration specified by the contract, adjusted to reflect provisions recognised for returns, trade discounts and rebates.

Where the agreement with a customer provides for elements of variable consideration, these values are included in the calculation of the transaction price only to the extent that it is deemed 'highly probable' that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Where the transaction price is allocated between multiple performance obligations, this typically reflects the allocation of value to each performance obligation agreed with the end customer, unless this does not reflect the economic substance.

Surfacing performance obligations are satisfied over time, so surfacing revenue is typically recognised on an output basis, being volume of product laid.

#### Warranties and customer claims

The Group provides assurance type warranties over the specification of products but does not provide extended

warranties or maintenance services in contracts with customers. Claims with customers may arise in the usual course of business. Both customer claims and warranties are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

#### Financial income and expense

Financial income and expense comprise interest payable, finance charges, lease interest, interest receivable on funds invested, and gains and losses on related hedging instruments that are recognised in the consolidated income statement.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

#### Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated income statement except to the extent that income tax relates to items recognised directly in equity.

Current tax is the expected tax payable on the taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated income statement because taxable profit excludes items of income or expense that are not taxable or deductible.

The Group's liability for current tax is calculated using tax rates enacted or substantively enacted at the reporting date and includes any adjustment to tax payable in respect of previous years.

## Notes to the consolidated financial statements

### 1 Accounting policies continued

#### Deferred tax

Deferred tax is provided in full using the statement of financial position liability method and represents the tax expected to be payable or recoverable on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for:

- goodwill not deductible for tax purposes;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

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 reporting 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. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit

will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

#### Leases

Right-of-use assets and liabilities are recognised for any arrangements meeting the definition of a lease set out in IFRS 16 Leases.

Right-of-use assets are measured at cost, comprising the initial amount of the lease liability adjusted for any lease prepayments, plus any initial direct costs incurred, less any lease incentives received. Right-of-use assets are then depreciated using the straight-line method from the start of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities are presented within interest-bearing loans and borrowings. They are measured at the present value of future lease payments, discounted at a rate which reflects both the Group's incremental borrowing rate, adjusted for the time value of money, and the nature of the leased asset.

The Group has elected to take advantage of the practical expedients, permitted by IFRS 16, not to recognise lease assets and

liabilities in respect of short-term and low-value leases. Charges recognised in the consolidated income statement in respect of these leases are not significant to the Group.

#### Share-based transactions

Equity-settled share-based payments to directors, key employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is expensed, with a corresponding increase in equity, on a straight-line basis over the period that the employees become unconditionally entitled to the awards.

At each reporting date, the Group revises the amount recognised as an expense to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with market-based performance conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where a share-based payment is net-settled by withholding a specified portion of the shares to meet statutory obligations, the arrangement is accounted for as an equity-settled share-based payment in its entirety.

#### Dividends

Dividends are recognised as a liability in the financial statements in the period in which they are declared by the Company and, in respect of final dividends, approved by shareholders.

#### Alternative performance measures

The following non-GAAP performance measures have been used in the financial statements:

| Non-GAAP performance measure                 | Note |
|----------------------------------------------|------|
| i. Underlying EBITDA                         | 27   |
| ii. Underlying EBITDA margin                 | 27   |
| iii. Adjusted Underlying Basic & Diluted EPS | 23   |
| iv. Free Cash Flow                           | 27   |
| v. Free Cash Flow conversion                 | 27   |
| vi. Return on Invested Capital               | 27   |
| vii. Covenant Leverage                       | 27   |
| viii. Net Debt                               | 14   |
| ix. Net Debt (excluding IFRS 16)             | 14   |
| x. Interest Cover                            | 27   |

Management uses these terms as they believe these measures allow stakeholders an improved understanding of the Group's underlying business performance. These alternative performance measures are well understood by investors and analysts, are consistent with the Group's historic communications and reflect the way in which the business is managed.

## Notes to the consolidated financial statements

### 2 Segmental analysis

With effect from 1 July 2025, the Group changed from a divisional management structure (Great Britain, Ireland, Cement and United States) to a country-based management structure (Great Britain, Ireland and United States). The presentation of these results reflects the new country-based structure. Comparatives have been restated to aid comparability.

The Group's activities comprise the following reportable segments:

- **Great Britain:** our construction materials and surfacing businesses and cementitious operations in Great Britain.
- **Ireland:** our construction materials and surfacing businesses and cementitious operations on the Island of Ireland.
- **United States:** our construction materials and surfacing businesses in the United States of America.

A description of the activities of each segment is included on pages 36 to 41.

#### Income statement

|                                           | 2025           |                                         | 2024 Restated  |                                         |
|-------------------------------------------|----------------|-----------------------------------------|----------------|-----------------------------------------|
|                                           | Revenue<br>£m  | Underlying<br>EBITDA <sup>1</sup><br>£m | Revenue<br>£m  | Underlying<br>EBITDA <sup>1</sup><br>£m |
| Great Britain                             | 1,116.1        | 185.2                                   | 1,155.8        | 192.7                                   |
| Ireland                                   | 291.6          | 64.3                                    | 297.6          | 68.9                                    |
| United States                             | 316.1          | 42.8                                    | 132.5          | 24.8                                    |
| Central administration                    | –              | (13.5)                                  | –              | (16.5)                                  |
| Eliminations                              | (10.0)         | –                                       | (9.6)          | –                                       |
| <b>Total</b>                              | <b>1,713.8</b> | <b>278.8</b>                            | <b>1,576.3</b> | <b>269.9</b>                            |
| <i>Reconciliation to statutory profit</i> |                |                                         |                |                                         |
| <b>Underlying EBITDA as above</b>         |                | <b>278.8</b>                            |                | 269.9                                   |
| Depreciation and mineral depletion        |                | (113.2)                                 |                | (99.7)                                  |
| <b>Underlying Group operating profit</b>  |                | <b>165.6</b>                            |                | 170.2                                   |
| – Great Britain                           |                | 104.0                                   |                | 114.7                                   |
| – Ireland                                 |                | 51.8                                    |                | 55.9                                    |
| – United States                           |                | 23.6                                    |                | 16.4                                    |
| – Central administration                  |                | (13.8)                                  |                | (16.8)                                  |
| <b>Underlying Group operating profit</b>  |                | <b>165.6</b>                            |                | 170.2                                   |

|                                                 | 2025          | 2024 Restated                           |
|-------------------------------------------------|---------------|-----------------------------------------|
|                                                 | Revenue<br>£m | Underlying<br>EBITDA <sup>1</sup><br>£m |
| Share of profit of associate and joint ventures |               | 4.1                                     |
| <b>Underlying profit from operations</b>        | <b>169.7</b>  | 173.7                                   |
| Non-underlying items (note 3)                   | (34.9)        | (24.1)                                  |
| <b>Profit from operations</b>                   | <b>134.8</b>  | 149.6                                   |

<sup>1</sup> Underlying EBITDA is earnings before interest, tax, depreciation and mineral depletion, amortisation, non-underlying items (note 3) and before our share of profit of associate and joint ventures.

#### Disaggregation of revenue from contracts with the customers

##### Analysis of revenue by geographic location of end-market

The primary geographic markets for all Group revenues for the purpose of IFRS 15 are the United Kingdom, Republic of Ireland (RoI) and United States. In line with the requirements of IFRS 8, this is analysed by individual countries as follows:

|                     | 2025<br>£m     | 2024<br>£m |
|---------------------|----------------|------------|
| United Kingdom      | 1,208.8        | 1,251.0    |
| Republic of Ireland | 185.0          | 190.1      |
| United States       | 316.1          | 132.5      |
| Other               | 3.9            | 2.7        |
|                     | <b>1,713.8</b> | 1,576.3    |

##### Analysis of revenue by major products and service lines by segment

|                      | 2025<br>£m     | 2024 Restated<br>£m |
|----------------------|----------------|---------------------|
| <i>Sale of goods</i> |                |                     |
| Great Britain        | 905.2          | 956.3               |
| Ireland              | 159.6          | 171.1               |
| United States        | 154.6          | 132.5               |
| Eliminations         | (10.0)         | (9.6)               |
|                      | <b>1,209.4</b> | 1,250.3             |

Eliminations primarily comprise sales from Ireland to Great Britain.

## Notes to the consolidated financial statements

### 2 Segmental analysis continued

|                              | 2025<br>£m | 2024 Restated<br>£m |
|------------------------------|------------|---------------------|
| <i>Provision of services</i> |            |                     |
| Great Britain                | 210.9      | 199.5               |
| Ireland                      | 132.0      | 126.5               |
| United States                | 161.5      | -                   |
|                              | 504.4      | 326.0               |
|                              | 1,713.8    | 1,576.3             |

#### Timing of revenue recognition

Sale of goods revenue relates to products for which revenue is recognised at a point in time as the product is transferred to the customer. Revenues from the provision of services are accounted for as products and services for which revenue is recognised over time.

#### Statement of financial position

|                         | 2025               |                         | 2024 Restated <sup>1</sup> |                         |
|-------------------------|--------------------|-------------------------|----------------------------|-------------------------|
|                         | Total assets<br>£m | Total liabilities<br>£m | Total assets<br>£m         | Total liabilities<br>£m |
| Great Britain           | 1,302.1            | (282.1)                 | 1,314.8                    | (285.0)                 |
| Ireland                 | 485.5              | (66.6)                  | 462.3                      | (62.8)                  |
| United States           | 449.8              | (40.5)                  | 303.5                      | (32.7)                  |
| Central administration  | 4.7                | (23.4)                  | 3.0                        | (24.5)                  |
| <b>Total operations</b> | <b>2,242.1</b>     | <b>(412.6)</b>          | <b>2,083.6</b>             | <b>(405.0)</b>          |
| Current tax             | -                  | (2.1)                   | 1.5                        | -                       |
| Deferred tax            | -                  | (102.9)                 | -                          | (104.2)                 |
| Net Debt                | 115.5              | (642.8)                 | 70.0                       | (475.3)                 |
| <b>Total Group</b>      | <b>2,357.6</b>     | <b>(1,160.4)</b>        | <b>2,155.1</b>             | <b>(984.5)</b>          |
| <b>Net assets</b>       |                    | <b>1,197.2</b>          |                            | <b>1,170.6</b>          |

<sup>1</sup> In addition to the restatement relating to the change in structure, total assets and liabilities have been restated to reflect a change in the presentation of cash and cash equivalents. Refer to note 29 for further details.

Great Britain total assets include £12.7m (2024: £13.8m), Ireland total assets include £1.3m (2024: £1.2m) and United States total assets include £0.7m (2024: £nil) in respect of investments in associate and joint ventures.

#### Geographic location of non-current assets

|                     | 2025<br>£m | 2024 Restated<br>£m |
|---------------------|------------|---------------------|
| United Kingdom      | 1,105.8    | 1,106.2             |
| Republic of Ireland | 353.8      | 324.1               |
| United States       | 392.0      | 256.6               |
|                     | 1,851.6    | 1,686.9             |

#### Analysis of depreciation, amortisation and capital expenditure

|                        | Depreciation<br>and mineral<br>depletion<br>£m | Amortisation<br>of intangible<br>assets<br>£m | Additions<br>to property,<br>plant and<br>equipment<br>£m |
|------------------------|------------------------------------------------|-----------------------------------------------|-----------------------------------------------------------|
| <b>2025</b>            |                                                |                                               |                                                           |
| Great Britain          | 81.2                                           | 3.6                                           | 75.4                                                      |
| Ireland                | 12.5                                           | 2.5                                           | 20.5                                                      |
| United States          | 19.2                                           | 19.2                                          | 23.3                                                      |
| Central administration | 0.3                                            | -                                             | 0.9                                                       |
|                        | 113.2                                          | 25.3                                          | 120.1                                                     |

#### 2024 Restated

|                        |      |      |       |
|------------------------|------|------|-------|
| Great Britain          | 78.0 | 3.6  | 93.2  |
| Ireland                | 13.0 | 2.5  | 21.4  |
| United States          | 8.4  | 6.4  | 16.7  |
| Central administration | 0.3  | -    | -     |
|                        | 99.7 | 12.5 | 131.3 |

Additions to property, plant and equipment exclude additions in respect of business combinations.

## Notes to the consolidated financial statements

### 3 Non-underlying items

Non-underlying items are those items which, because of their nature, size or incidence, are either unlikely to recur in future periods or which distort the underlying trading performance of the business, including non-cash items. For an item to be classified as non-underlying, it must meet defined criteria which are applied consistently by the Group.

The directors monitor the performance of the Group using alternative performance measures which are calculated on an underlying basis. In the opinion of the directors, this presentation aids understanding of the underlying business performance and any references to underlying earnings measures throughout this report are made on this basis.

As underlying measures include the benefits of acquisitions but exclude significant costs (such as one-off acquisition-related costs or amortisation of acquired intangible assets), they should not be regarded as a complete picture of the Group's financial performance.

Underlying measures are calculated and presented on a consistent basis over time to assist in the comparison of performance.

|                                                             | 2025<br>£m  | 2024<br>£m  |
|-------------------------------------------------------------|-------------|-------------|
| <b>Included in operating expenses:</b>                      |             |             |
| Acquisition-related expenses (note 25)                      | 3.8         | 10.2        |
| (Gain)/loss on disposal of property                         | (1.6)       | 0.1         |
| Redundancy, reorganisation and other costs                  | 1.6         | 1.3         |
| Cement decarbonisation costs                                | 5.8         | -           |
| Amortisation of acquired intangible assets                  | 25.3        | 12.5        |
| <b>Total non-underlying items (before interest and tax)</b> | <b>34.9</b> | <b>24.1</b> |
| Non-underlying interest (note 14)                           | -           | 1.3         |
| Non-underlying tax                                          | (8.5)       | (3.6)       |
| <b>Total non-underlying items</b>                           | <b>26.4</b> | <b>21.8</b> |

Cement decarbonisation costs reflect the Group's initial investment in Peak Cluster Limited and costs of carbon capture and storage, which includes £2.8m of non-cash costs.

### 4 Operating expenses and auditor's remuneration

|                                            | 2025<br>£m     | 2024<br>£m     |
|--------------------------------------------|----------------|----------------|
| Costs of raw materials purchased           | 346.1          | 306.8          |
| Employee costs (note 5)                    | 297.2          | 246.6          |
| Depreciation and mineral depletion:        |                |                |
| Owned assets (note 8)                      | 105.2          | 91.6           |
| Leased assets (note 20)                    | 8.0            | 8.1            |
| Gain on sale of plant and equipment        | (3.0)          | (1.8)          |
| Gain on sale of UK Carbon Allowances       | (6.0)          | -              |
| Other operating expenses                   | 800.7          | 754.8          |
| <b>Underlying operating expenses</b>       | <b>1,548.2</b> | <b>1,406.1</b> |
| Non-underlying operating expenses (note 3) | 34.9           | 24.1           |
| <b>Operating expenses</b>                  | <b>1,583.1</b> | <b>1,430.2</b> |

|                                                | 2025<br>£m | 2024<br>£m |
|------------------------------------------------|------------|------------|
| <b>Auditor's remuneration</b>                  |            |            |
| Audit of the Company                           | 0.4        | 0.3        |
| Audit of the Company's subsidiary undertakings | 1.5        | 1.3        |
|                                                | 1.9        | 1.6        |

There were no non-audit services undertaken during the year (2024: £nil).

## Notes to the consolidated financial statements

### 5 Employees and directors

Disclosure of individual directors' remuneration, including information on all outstanding share options, is provided in the Directors' Remuneration report from page 132. Aggregate remuneration received by the directors (the Group's Key Management Personnel) is summarised below:

#### Directors' remuneration

|                                           | 2025<br>£m | 2024<br>£m |
|-------------------------------------------|------------|------------|
| Salaries and short-term employee benefits | 1.9        | 2.4        |
| Directors' fees                           | 0.5        | 0.5        |
| Share-based payments (note 18)            | 1.0        | 0.6        |
|                                           | <b>3.4</b> | <b>3.5</b> |

No pension contributions were paid by the Group to any pension schemes on behalf of the directors in either the current or prior years.

#### Staff numbers and costs

The average number of persons employed by the Group during the year was as follows:

|                        | Number of employees |                            |
|------------------------|---------------------|----------------------------|
|                        | 2025                | 2024 Restated <sup>1</sup> |
| Great Britain          | 3,122               | 3,136                      |
| Ireland                | 503                 | 515                        |
| United States          | 853                 | 466                        |
| Central administration | 302                 | 278                        |
|                        | <b>4,780</b>        | <b>4,395</b>               |

<sup>1</sup> Restated to reflect the changes from a divisional management structure to a country-based management structure in 2025.

The aggregate payroll costs of these persons were as follows:

|                                 | 2025<br>£m   | 2024<br>£m   |
|---------------------------------|--------------|--------------|
| Wages and salaries              | 243.6        | 211.8        |
| Social security costs           | 30.6         | 22.5         |
| Pension costs                   | 12.0         | 9.0          |
| Share-based payments (note 18)  | 4.6          | 3.3          |
| Other employee-related benefits | 6.4          | -            |
|                                 | <b>297.2</b> | <b>246.6</b> |

Pension costs relate to various defined contribution pension schemes operated within the Group. These are accounted for on a contribution payable basis. Contributions outstanding at 31 December 2025 amounted to £1.3m (2024: £1.1m) and are included in other payables.

### 6 Financial income and expense

|                                                                        | 2025<br>£m    | 2024<br>£m    |
|------------------------------------------------------------------------|---------------|---------------|
| Interest income on cash deposits and money-market funds                | 0.2           | 1.2           |
| <b>Total financial income</b>                                          | <b>0.2</b>    | <b>1.2</b>    |
| Interest charged on bank loans, private placement notes and overdrafts | (21.8)        | (15.9)        |
| Amortisation of loan arrangement fees                                  | (0.8)         | (0.9)         |
| Lease liabilities                                                      | (2.8)         | (2.9)         |
| Unwinding of discount on provisions (note 16)                          | (4.3)         | (4.4)         |
| <b>Underlying financial expense</b>                                    | <b>(29.7)</b> | <b>(24.1)</b> |
| Non-underlying interest (note 14)                                      | -             | (1.3)         |
| <b>Total financial expense</b>                                         | <b>(29.7)</b> | <b>(25.4)</b> |

## Notes to the consolidated financial statements

### 7 Taxation

#### Recognised in the consolidated income statement

|                                                              | 2025<br>£m   | 2024<br>£m  |
|--------------------------------------------------------------|--------------|-------------|
| <b>Current tax</b>                                           |              |             |
| Current year                                                 | 24.3         | 26.5        |
| Prior year                                                   | (1.5)        | (4.1)       |
| <b>Total current tax</b>                                     | <b>22.8</b>  | <b>22.4</b> |
| <b>Deferred tax</b>                                          |              |             |
| Current year                                                 | (0.3)        | 2.6         |
| Prior year                                                   | (1.1)        | 4.1         |
| <b>Total deferred tax</b>                                    | <b>(1.4)</b> | <b>6.7</b>  |
| <b>Total tax charge in the consolidated income statement</b> | <b>21.4</b>  | <b>29.1</b> |

#### Recognised in equity

|                                   | 2025<br>£m   | 2024<br>£m   |
|-----------------------------------|--------------|--------------|
| <b>Deferred tax</b>               |              |              |
| Derivatives                       | (1.5)        | -            |
| Share-based payments              | 0.2          | (0.3)        |
| <b>Total tax credit in equity</b> | <b>(1.3)</b> | <b>(0.3)</b> |

#### Reconciliation of effective tax rate

|                                                               | 2025<br>£m  | 2024<br>£m  |
|---------------------------------------------------------------|-------------|-------------|
| Profit before taxation                                        | 105.3       | 125.4       |
| Tax at the Company's domestic rate of 25.0% (2024: 25.0%)     | 26.3        | 31.4        |
| Difference between Company and subsidiary statutory tax rates | (4.6)       | (5.8)       |
| Expenses not deductible for tax purposes                      | 3.4         | 3.2         |
| Income from associate and joint ventures already taxed        | (1.0)       | (0.8)       |
| Pillar Two top-up charge                                      | 0.1         | 0.6         |
| Other                                                         | (0.2)       | 0.5         |
| Adjustment in respect of prior years                          | (2.6)       | -           |
| <b>Total tax charge</b>                                       | <b>21.4</b> | <b>29.1</b> |

The Company is tax resident in the UK, with a 25.0% (2024: 25.0%) tax rate. The Group's subsidiary operations pay tax at a rate of 25.0% (2024: 25.0%) in the UK and 12.5% (2024: 12.5%) in RoI. US subsidiary operations pay tax at the federal tax rate of 21% together with state income tax, resulting in a blended statutory rate of c. 25% (2024: c. 25%).

Excluding the impact of non-underlying items, the Group's Underlying effective tax rate is 21.3% (2024: 21.7%). Including these items, the Group's reported tax rate for the year is 20.3% (2024: 23.2%).

#### Global Minimum Corporate Tax Framework

From 1 January 2024, the Group is within scope of the Global Minimum Corporate Tax rate of 15% ('Pillar Two' rules). The impact of these rules on the Group is limited to the Group's taxable profits generated in the Republic of Ireland, where the tax rate is 12.5%, resulting in a top-up charge of £0.1m (2024: £0.6m).

In accordance with the mandatory exception under Amendments to IAS 12 Income Taxes, the Group has not remeasured deferred tax assets and liabilities as a result of the implementation of the Pillar Two rules.

## Notes to the consolidated financial statements

### 8 Property, plant and equipment

|                                            | Mineral<br>reserves and<br>resources<br>£m | Land and<br>buildings<br>£m | Plant,<br>equipment<br>and vehicles<br>£m | Total<br>£m    |
|--------------------------------------------|--------------------------------------------|-----------------------------|-------------------------------------------|----------------|
| <b>Cost</b>                                |                                            |                             |                                           |                |
| Balance at 1 January 2025                  | 366.6                                      | 172.3                       | 943.1                                     | 1,482.0        |
| Translation adjustment                     | 1.1                                        | 1.4                         | (2.8)                                     | (0.3)          |
| Business combinations (note 25)            | -                                          | 4.9                         | 43.4                                      | 48.3           |
| Additions                                  | 11.8                                       | 2.1                         | 106.2                                     | 120.1          |
| Disposals and impairment                   | (1.5)                                      | (0.8)                       | (20.8)                                    | (23.1)         |
| Change to capitalised provisions (note 16) | (0.7)                                      | 0.1                         | (0.2)                                     | (0.8)          |
| Reclassification                           | (0.3)                                      | 25.5                        | (25.2)                                    | -              |
| Transfer from leased assets (note 20)      | -                                          | -                           | 0.2                                       | 0.2            |
| <b>At 31 December 2025</b>                 | <b>377.0</b>                               | <b>205.5</b>                | <b>1,043.9</b>                            | <b>1,626.4</b> |
| <b>Depreciation and mineral depletion</b>  |                                            |                             |                                           |                |
| Balance at 1 January 2025                  | 108.0                                      | 46.4                        | 388.5                                     | 542.9          |
| Translation adjustment                     | 0.2                                        | 0.5                         | 0.6                                       | 1.3            |
| Charge for the year                        | 12.7                                       | 7.1                         | 85.4                                      | 105.2          |
| Disposals and impairment                   | (0.1)                                      | (0.2)                       | (18.8)                                    | (19.1)         |
| <b>At 31 December 2025</b>                 | <b>120.8</b>                               | <b>53.8</b>                 | <b>455.7</b>                              | <b>630.3</b>   |
| <b>Net book value</b>                      |                                            |                             |                                           |                |
| <b>At 31 December 2025</b>                 | <b>256.2</b>                               | <b>151.7</b>                | <b>588.2</b>                              | <b>996.1</b>   |

|                                            | Mineral<br>reserves and<br>resources<br>£m | Land and<br>buildings<br>£m | Plant,<br>equipment<br>and vehicles<br>£m | Total<br>£m    |
|--------------------------------------------|--------------------------------------------|-----------------------------|-------------------------------------------|----------------|
| <b>Cost</b>                                |                                            |                             |                                           |                |
| Balance at 1 January 2024                  | 354.8                                      | 148.4                       | 787.4                                     | 1,290.6        |
| Translation adjustment                     | (1.1)                                      | (2.1)                       | (3.4)                                     | (6.6)          |
| Business combinations (note 25)            | 4.6                                        | 15.1                        | 68.1                                      | 87.8           |
| Additions                                  | 7.0                                        | 5.7                         | 118.6                                     | 131.3          |
| Disposals and impairment                   | -                                          | (0.8)                       | (23.6)                                    | (24.4)         |
| Change to capitalised provisions (note 16) | 1.3                                        | 1.6                         | 0.4                                       | 3.3            |
| Reclassification                           | -                                          | 4.4                         | (4.4)                                     | -              |
| <b>At 31 December 2024</b>                 | <b>366.6</b>                               | <b>172.3</b>                | <b>943.1</b>                              | <b>1,482.0</b> |
| <b>Depreciation and mineral depletion</b>  |                                            |                             |                                           |                |
| Balance at 1 January 2024                  | 96.5                                       | 40.7                        | 336.2                                     | 473.4          |
| Translation adjustment                     | (0.2)                                      | (0.4)                       | (0.8)                                     | (1.4)          |
| Charge for the year                        | 11.7                                       | 6.5                         | 73.4                                      | 91.6           |
| Disposals and impairment                   | -                                          | (0.4)                       | (20.3)                                    | (20.7)         |
| <b>At 31 December 2024</b>                 | <b>108.0</b>                               | <b>46.4</b>                 | <b>388.5</b>                              | <b>542.9</b>   |
| <b>Net book value</b>                      |                                            |                             |                                           |                |
| <b>At 31 December 2024</b>                 | <b>258.6</b>                               | <b>125.9</b>                | <b>554.6</b>                              | <b>939.1</b>   |

#### Assets under construction

Presented within plant, equipment and vehicles are assets in the course of construction totalling £41.9m (2024: £66.5m) which are not being depreciated.

## Notes to the consolidated financial statements

### 9 Intangible assets

|                                 | Goodwill<br>£m | Customer<br>related<br>£m | Other<br>£m | Total<br>£m  |
|---------------------------------|----------------|---------------------------|-------------|--------------|
| <b>Cost</b>                     |                |                           |             |              |
| At 1 January 2025               | 534.6          | 170.1                     | 19.3        | 724.0        |
| Translation adjustment          | 1.2            | (13.1)                    | (0.2)       | (12.1)       |
| Business combinations (note 25) | 28.2           | 113.9                     | 0.7         | 142.8        |
| <b>At 31 December 2025</b>      | <b>564.0</b>   | <b>270.9</b>              | <b>19.8</b> | <b>854.7</b> |
| <b>Amortisation</b>             |                |                           |             |              |
| At 1 January 2025               | -              | 29.7                      | 8.0         | 37.7         |
| Translation adjustment          | -              | (0.2)                     | (0.2)       | (0.4)        |
| Charge for the year             | -              | 23.7                      | 1.6         | 25.3         |
| <b>At 31 December 2025</b>      | <b>-</b>       | <b>53.2</b>               | <b>9.4</b>  | <b>62.6</b>  |
| <b>Net book value</b>           |                |                           |             |              |
| <b>At 31 December 2025</b>      | <b>564.0</b>   | <b>217.7</b>              | <b>10.4</b> | <b>792.1</b> |
| <b>Cost</b>                     |                |                           |             |              |
| At 1 January 2024               | 474.1          | 53.8                      | 17.7        | 545.6        |
| Translation adjustment          | (4.7)          | 0.2                       | -           | (4.5)        |
| Business combinations (note 25) | 65.2           | 116.1                     | 1.6         | 182.9        |
| <b>At 31 December 2024</b>      | <b>534.6</b>   | <b>170.1</b>              | <b>19.3</b> | <b>724.0</b> |
| <b>Amortisation</b>             |                |                           |             |              |
| At 1 January 2024               | -              | 18.9                      | 6.5         | 25.4         |
| Translation adjustment          | -              | -                         | (0.2)       | (0.2)        |
| Charge for the year             | -              | 10.8                      | 1.7         | 12.5         |
| <b>At 31 December 2024</b>      | <b>-</b>       | <b>29.7</b>               | <b>8.0</b>  | <b>37.7</b>  |
| <b>Net book value</b>           |                |                           |             |              |
| <b>At 31 December 2024</b>      | <b>534.6</b>   | <b>140.4</b>              | <b>11.3</b> | <b>686.3</b> |

Other intangible assets primarily comprise brand and permit assets arising from acquisitions. The amortisation charge on these assets is recognised in non-underlying operating expenses in the consolidated income statement. The remaining life of the finite intangible assets is up to 20 years.

#### Reallocation of goodwill

During the year, the Group changed from a divisional management structure (Great Britain, Ireland, Cement and United States) to a country-based management structure (Great Britain, Ireland and United States). This change aligns with how the business is managed by the Board of Breedon Group plc in its capacity as Chief Operating Decision Maker. As part of this reorganisation, the composition of Cash-Generating Units (CGUs) to which goodwill had previously been allocated was changed. Goodwill previously allocated to the Cement division has been reallocated between the Great Britain Country CGU and the Ireland Country CGU.

#### Basis of reallocation

In accordance with IAS 36 Impairment of Assets, goodwill has been reallocated to the affected CGUs using a relative value approach. Specifically, the reallocation was based on the geographical relative value in use of the Cement division before the reorganisation. Management judged that no alternative method would better reflect the goodwill associated with each of the reorganised CGUs.

|                                                         | Great Britain<br>£m | Ireland<br>£m | United<br>States<br>£m | Cement<br>£m | Total<br>£m |
|---------------------------------------------------------|---------------------|---------------|------------------------|--------------|-------------|
| <b>2024 goodwill reallocation</b>                       |                     |               |                        |              |             |
| Carrying value of goodwill before reorganisation        | 212.4               | 109.1         | 53.6                   | 159.5        | 534.6       |
| Reallocation of Cement goodwill                         | 93.9                | 65.6          | -                      | (159.5)      | -           |
| Revised carrying value of goodwill after reorganisation | 306.3               | 174.7         | 53.6                   | -            | 534.6       |

#### Carrying value of goodwill by operating segment

|               | 2025<br>£m   | 2024 Restated <sup>1</sup><br>£m |
|---------------|--------------|----------------------------------|
| Great Britain | 308.1        | 306.3                            |
| Ireland       | 185.6        | 174.7                            |
| United States | 70.3         | 53.6                             |
|               | <b>564.0</b> | <b>534.6</b>                     |

<sup>1</sup> Restated to reflect the changes from a divisional management structure to a country-based management structure in 2025.

## Notes to the consolidated financial statements

### 9 Intangible assets continued

#### Impairment tests for cash-generating units containing goodwill

Goodwill arising on business combinations is not amortised but is reviewed for impairment annually, or more frequently if there are indications that the goodwill may be impaired. Goodwill is allocated to groups of CGUs according to the level at which management monitors that goodwill, being the Group's operating segments.

The key assumptions used in performing the impairment review are those used in calculating the value-in-use of each CGU, as set out below:

#### Cash flow projections

Cash flow projections for each operating segment are derived from the annual budget approved by the Board for 2026 and the three-year plan extending to 2028. The key assumptions on which budgets and plans are based include sales growth, product mix, changes in operating costs and capital investment requirements. Budgeted cash flows are based on past experience and forecast future trading conditions.

These cash flows are then extrapolated forward for a further period of 50 years reflecting the long-term nature of the underlying assets, subject to obtaining incremental planning permissions for our quarries and plants. This is not considered to be a significant judgement.

#### Discount rate

Forecast pre-tax cash flows for each segment have been discounted at the pre-tax rates disclosed below. These rates were determined by an external expert based on market participants' cost of capital and adjusted to reflect factors specific to each segment.

|               | Pre-tax discount rates |       |
|---------------|------------------------|-------|
|               | 2025                   | 2024  |
| Great Britain | 12.5%                  | 13.6% |
| Ireland       | 9.7%                   | 11.7% |
| United States | 10.7%                  | 11.3% |

#### Long-term growth rates

Cash flow projections assume a growth rate of between 2.3% and 3.5% (2024: between 2.5% and 3.0%) from the fourth year of the value-in-use model, which reflects the impact of longer-term inflation projections on future earnings derived from published market data.

#### Short-term growth rates

Short-term growth rates range between 3.0% and 10.6% on average.

#### Sensitivity

The Group assessed the impact of reasonably possible changes in key assumptions and concluded that there would be no impairment in respect of Great Britain, Ireland and the United States. The table below indicates the changes that, in isolation, would need to be made to the key assumptions used in the impairment review to lead to an impairment being recognised.

|               | Change required for carrying amount to equal recoverable amount |                       |                       |                        |
|---------------|-----------------------------------------------------------------|-----------------------|-----------------------|------------------------|
|               | Headroom £m                                                     | Pre-tax discount rate | Long-term growth rate | Short-term growth rate |
| Great Britain | 109.8                                                           | +120bps               | (110)bps              | (270)bps               |
| Ireland       | 320.9                                                           | +630bps               | (650)bps              | (1,480)bps             |
| United States | 107.8                                                           | +210bps               | (210)bps              | (640)bps               |

Our modelling also considered the near-term capital costs of the implementation of our carbon reduction strategy that are included in our financial plans. It is not possible at present to quantify in full the gross cost of the transition over the longer-term, but where appropriate, considerations have been made within our cash flow projections.

#### Impact of climate change on impairment testing

Impacts related to climate change and the transition to a lower carbon economy may include:

- physical impacts resulting from increased severity and frequency of extreme weather events, together with impacts arising from longer-term shifts in climate patterns; and
- transitional impacts, including changing demand for the Group's products due to shifts in policy, regulation (including carbon pricing mechanisms), legal, technological, market, customer or societal responses to climate change.

The Group's risk analysis indicates that the physical impacts of climate change are unlikely to have a significant impact on our impairment testing, with our operations typically located in regions that face relatively low physical challenges from climate change. Our climate-related disclosures are included in our TCFD report on pages 88 to 95.

The impact of the transition to a lower carbon economy could be more significant. Breedon is committed to net zero by 2050 as well as to the manufacture of cement at our two well-invested cement plants; however, to achieve net zero will require a significant reduction in our carbon emissions.

## Notes to the consolidated financial statements

### 9 Intangible assets continued

As set out in more detail in our Sustainability report, we have SBTi validated carbon reduction targets following the 1.5°C warming pathway. By 2030, we aim to achieve a 23.3% reduction in absolute gross scope 1 and 2 GHG emissions, and scope 3 emissions from purchased cement and clinker from a 2022 base year. Our long-term SBTi target commits to reducing our absolute gross scope 1, 2 and 3 GHG emissions 95% by 2050 from the 2022 base year.

We are taking near-term actions based on existing technologies to move towards this objective. In addition, the Group is working with governments, industry, academia and the GCCA to explore potential routes to further decarbonisation, including carbon capture technologies. However these are not yet proven at scale.

The cash flows associated with our near-term plans are incorporated into our impairment testing along with our best estimate of the longer-term impacts associated with the transition to net zero. However, it is not possible to quantify these accurately and in full, nor longer-term changes in consumer behaviour or how demand for cement might be impacted by price increases needed to recover these costs.

In conducting the impairment tests, we have assumed that future cement volumes remain broadly in line with current levels and that increased costs, including carbon costs and increased capital investment are recovered through pricing, consistent with our historic experience, and that no scalable substitute for concrete emerges in the near term. As the cost of transition to net zero and the consequent impact on end-market demand becomes clearer along with the effectiveness of government intervention mechanisms such as CBAM to regulate imports, these judgements will need to be refined and it is possible that this may result in future impairment charges.

The directors are aware of the evolving risks attached to climate change and will regularly assess these risks against estimates made in future value-in-use assessments.

### 10 Investment in associate and joint ventures

The entities contributing to the Group's financial results are listed on pages 209 to 211. The Group equity accounts for investments in its associate and joint ventures.

|                                                 | Associate<br>£m | Joint ventures<br>£m | Total<br>£m  |
|-------------------------------------------------|-----------------|----------------------|--------------|
| <b>Carrying value</b>                           |                 |                      |              |
| At 1 January 2024                               | 5.5             | 9.0                  | 14.5         |
| Share of profit of associate and joint ventures | 1.3             | 2.2                  | 3.5          |
| Dividends received                              | (1.8)           | (1.2)                | (3.0)        |
| <b>At 31 December 2024</b>                      | <b>5.0</b>      | <b>10.0</b>          | <b>15.0</b>  |
| Share of profit of associate and joint ventures | <b>2.8</b>      | <b>1.3</b>           | <b>4.1</b>   |
| Dividends received                              | <b>(4.1)</b>    | <b>(1.1)</b>         | <b>(5.2)</b> |
| Additions                                       | -               | 1.1                  | 1.1          |
| Acquisitions                                    | -               | 0.7                  | 0.7          |
| Impairment                                      | -               | (1.1)                | (1.1)        |
| Translation adjustment                          | -               | 0.1                  | 0.1          |
| <b>At 31 December 2025</b>                      | <b>3.7</b>      | <b>11.0</b>          | <b>14.7</b>  |

#### Summary financial information of associate and joint ventures

|                            | 2025            |                      | 2024            |                      |
|----------------------------|-----------------|----------------------|-----------------|----------------------|
|                            | Associate<br>£m | Joint ventures<br>£m | Associate<br>£m | Joint ventures<br>£m |
| Non-current assets         | 21.2            | 19.5                 | 18.5            | 15.4                 |
| Current assets             | 57.6            | 26.3                 | 37.6            | 19.4                 |
| Current liabilities        | (56.0)          | (24.9)               | (35.9)          | (22.0)               |
| Non-current liabilities    | (3.2)           | (2.6)                | (5.9)           | (1.1)                |
| <b>Net assets</b>          | <b>19.6</b>     | <b>18.3</b>          | <b>14.3</b>     | <b>11.7</b>          |
| <b>Revenue</b>             | <b>244.6</b>    | <b>106.4</b>         | <b>199.0</b>    | <b>109.9</b>         |
| <b>Profit for the year</b> | <b>7.6</b>      | <b>3.0</b>           | <b>3.8</b>      | <b>4.2</b>           |

Included within the consolidated results of the Group is the share of profit of the associate and joint ventures, as presented on the face of the consolidated income statement.

## Notes to the consolidated financial statements

### 11 Deferred tax

|                                | 1 January<br>2025<br>£m | Acquisitions<br>(note 25)<br>£m | Recognised<br>in income<br>£m | Recognised<br>in equity<br>£m | Translation<br>adjustments<br>£m | 31 December<br>2025<br>£m |
|--------------------------------|-------------------------|---------------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------|
| <b>2025</b>                    |                         |                                 |                               |                               |                                  |                           |
| Property, plant and equipment  | (124.7)                 | (1.5)                           | (13.3)                        | -                             | (0.1)                            | (139.6)                   |
| Intangible assets              | (10.7)                  | (0.2)                           | 3.6                           | -                             | -                                | (7.3)                     |
| Tax losses                     | 6.3                     | -                               | 11.1                          | -                             | -                                | 17.4                      |
| Share-based payments           | 1.8                     | -                               | (0.5)                         | (0.2)                         | -                                | 1.1                       |
| Working capital and provisions | 23.1                    | 0.5                             | 0.5                           | -                             | (0.1)                            | 24.0                      |
| Derivatives                    | -                       | -                               | -                             | 1.5                           | -                                | 1.5                       |
|                                | (104.2)                 | (1.2)                           | 1.4                           | 1.3                           | (0.2)                            | (102.9)                   |
| <b>2024</b>                    |                         |                                 |                               |                               |                                  |                           |
| Property, plant and equipment  | (103.3)                 | (6.3)                           | (15.7)                        | -                             | 0.6                              | (124.7)                   |
| Intangible assets              | (9.9)                   | 0.2                             | (1.2)                         | -                             | 0.2                              | (10.7)                    |
| Tax losses                     | 0.7                     | -                               | 6.2                           | -                             | (0.6)                            | 6.3                       |
| Share-based payments           | 0.9                     | -                               | 0.6                           | 0.3                           | -                                | 1.8                       |
| Working capital and provisions | 19.6                    | -                               | 3.4                           | -                             | 0.1                              | 23.1                      |
|                                | (92.0)                  | (6.1)                           | (6.7)                         | 0.3                           | 0.3                              | (104.2)                   |

There are no unrecognised deferred tax assets or liabilities.

Tax losses of £11.1m relate to deferred tax assets, driven by 100% bonus depreciation arising in the US.

### 12 Inventories

|                                     | 2025<br>£m | 2024<br>£m |
|-------------------------------------|------------|------------|
| Raw materials and consumables       | 61.7       | 59.5       |
| Work in progress                    | 11.0       | 11.2       |
| Finished goods and goods for resale | 54.4       | 65.0       |
|                                     | 127.1      | 135.7      |

Inventories (being directly attributable costs of production) of £1,113.8m (2024: £982.7m) have been expensed in the year.

Emission Trading Scheme assets are presented within finished goods and goods for resale.

### 13 Trade and other receivables

|                                                         | 2025<br>£m | 2024<br>£m |
|---------------------------------------------------------|------------|------------|
| Trade receivables                                       | 197.0      | 198.3      |
| Amounts due from associate and joint ventures (note 22) | 4.5        | 2.4        |
| Derivative assets                                       | -          | 0.3        |
| Contract assets                                         | 22.6       | 17.4       |
| Other receivables and prepayments                       | 42.7       | 42.6       |
|                                                         | 266.8      | 261.0      |

|                    | 2025<br>£m | 2024<br>£m |
|--------------------|------------|------------|
| <b>Analysed as</b> |            |            |
| Current            | 263.4      | 261.0      |
| Non-current        | 3.4        | -          |
|                    | 266.8      | 261.0      |

The nature of contract assets has not changed materially during the reporting period.

## Notes to the consolidated financial statements

### 14 Interest-bearing loans and borrowings

#### Net Debt

|                                                       | 2025<br>£m     | 2024 Restated <sup>1</sup><br>£m |
|-------------------------------------------------------|----------------|----------------------------------|
| Cash and cash equivalents                             | 115.5          | 70.0                             |
| Current borrowings                                    | (49.1)         | (49.8)                           |
| Non-current borrowings                                | (593.7)        | (425.5)                          |
| <b>Net Debt</b>                                       | <b>(527.3)</b> | <b>(405.3)</b>                   |
| IFRS 16 lease liabilities                             | 46.2           | 48.7                             |
| <b>Net Debt (excluding IFRS 16 lease liabilities)</b> | <b>(481.1)</b> | <b>(356.6)</b>                   |

#### Analysis of borrowings between current and non-current

|                               | 2025<br>£m   | 2024 Restated <sup>1</sup><br>£m |
|-------------------------------|--------------|----------------------------------|
| Bank overdrafts               | 43.9         | 41.1                             |
| Lease liabilities             | 5.2          | 8.7                              |
| <b>Current borrowings</b>     | <b>49.1</b>  | <b>49.8</b>                      |
| Bank and USPP debt            | 552.7        | 385.5                            |
| Lease liabilities             | 41.0         | 40.0                             |
| <b>Non-current borrowings</b> | <b>593.7</b> | <b>425.5</b>                     |

<sup>1</sup> Refer to note 29 for details of the restatement.

During the year, the Group issued €95m of additional notes under the Group's USPP programme. The notes have a maturity profile of between 2030 and 2032, with a fixed interest rate of approximately 4%.

The initial USPP was issued in 2021 with an average fixed coupon of approximately 2% and comprises £170m denominated in Sterling and €94m denominated in Euro with a maturity profile between 2028 and 2036.

Interest on the RCF is calculated as a margin referenced to the Group's Covenant Leverage plus SONIA, SOFR or EURIBOR according to the currency of borrowing. Margins payable on the RCF in the period were between 1.65% and 1.95%.

Debt arrangement fees associated with the extension of the RCF amounted to £0.9m and will be amortised over the remaining life of the facility.

During the prior year, prepaid fees of £1.3m in relation to the old RCF facility were expensed to the income statement as a non-underlying interest expense.

Borrowing facilities are subject to leverage and interest cover covenants which are tested half-yearly. The Group remained fully compliant with all covenants during the year. For more details, refer to note 27.

#### Reconciliation of cash flow movement to movement in Net Debt

|                                                                      | 2025<br>£m     | 2024<br>£m     |
|----------------------------------------------------------------------|----------------|----------------|
| <b>For the year ended 31 December</b>                                |                |                |
| Net increase/(decrease) in cash and cash equivalents                 | 43.0           | (97.5)         |
| Foreign exchange differences – cash and cash equivalents             | (0.3)          | (0.5)          |
| Net movement in cash and cash equivalents                            | 42.7           | (98.0)         |
| Net cash flow movements in debt financing                            | (132.6)        | (44.0)         |
| <b>Non-cash movements</b>                                            |                |                |
| Net of lease additions and disposals                                 | (7.3)          | (8.6)          |
| Amortisation of loan arrangement fee                                 | (0.8)          | (2.2)          |
| Debt acquired via acquisitions (note 25)                             | (22.7)         | (87.8)         |
| Foreign exchange differences – interest-bearing loans and borrowings | (1.3)          | 5.2            |
| <b>Increase in Net Debt in the year</b>                              | <b>(122.0)</b> | <b>(235.4)</b> |
| Net Debt as at 1 January                                             | (405.3)        | (169.9)        |
| <b>Net Debt as at 31 December</b>                                    | <b>(527.3)</b> | <b>(405.3)</b> |

## Notes to the consolidated financial statements

### 15 Trade and other payables

|                                                       | 2025<br>£m   | 2024<br>£m   |
|-------------------------------------------------------|--------------|--------------|
| Trade payables                                        | 144.2        | 151.7        |
| Amounts due to associate and joint ventures (note 22) | 0.2          | -            |
| Contract liabilities                                  | 11.5         | 11.5         |
| Deferred and contingent consideration                 | 8.1          | 6.4          |
| Derivative liabilities                                | 6.6          | -            |
| Other payables and accrued expenses                   | 94.0         | 91.4         |
| Other taxation and social security                    | 21.3         | 22.6         |
|                                                       | <b>285.9</b> | <b>283.6</b> |

The nature of contract liabilities has not changed significantly during the reporting period. Brought forward contract liabilities of £11.5m have all been recognised in revenue during the year.

### 16 Provisions

|                                                      | Restoration<br>£m | Other<br>£m | Total<br>£m  |
|------------------------------------------------------|-------------------|-------------|--------------|
| At 1 January 2024                                    | 91.3              | 3.3         | 94.6         |
| Translation adjustment                               | (0.4)             | -           | (0.4)        |
| Utilised during the year                             | (3.1)             | -           | (3.1)        |
| Charged to income statement                          | 0.1               | -           | 0.1          |
| Amounts arising from business combinations           | 3.5               | 19.0        | 22.5         |
| Change to capitalised provisions (note 8)            | 3.3               | -           | 3.3          |
| Unwinding of discount                                | 4.4               | -           | 4.4          |
| <b>At 31 December 2024</b>                           | <b>99.1</b>       | <b>22.3</b> | <b>121.4</b> |
| Translation adjustment                               | 0.3               | (1.4)       | (1.1)        |
| Utilised during the year                             | (2.8)             | (0.7)       | (3.5)        |
| (Released)/charged to income statement               | (3.5)             | 8.0         | 4.5          |
| Amounts arising from business combinations (note 25) | 0.6               | 1.3         | 1.9          |
| Change to capitalised provisions (note 8)            | (0.8)             | -           | (0.8)        |
| Unwinding of discount                                | 4.3               | -           | 4.3          |
| <b>At 31 December 2025</b>                           | <b>97.2</b>       | <b>29.5</b> | <b>126.7</b> |

|                    | 2025<br>£m   | 2024<br>£m   |
|--------------------|--------------|--------------|
| <b>Analysed as</b> |              |              |
| Current            | 38.0         | 30.0         |
| Non-current        | 88.7         | 91.4         |
|                    | <b>126.7</b> | <b>121.4</b> |

Restoration provisions principally comprise provisions for the cost of decommissioning and restoring sites. The obligation is calculated on a site-by-site basis and is subject to regular reviews which utilise external data and expertise. Each obligation is discounted to reflect the period over which it is expected to be settled which, on average, is around 10 years. Nominal discount rates used have been derived using UK, Irish and US Gilt rates.

Other provisions mainly relate to amounts arising on the BMC acquisition. They include a £10.0m contingent liability for which the Group is fully indemnified, with a matching indemnification asset recognised in other receivables. The expected outcome range is either nil or £10.0m.

### 17 Capital, reserves and dividends

#### Share capital and share premium

All shares issued by Breedon are ordinary shares which have a par value of £0.01 and are fully paid. The Company has no limit to the number of shares which may be issued.

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

|                                                      | Number of ordinary shares (m) |              |
|------------------------------------------------------|-------------------------------|--------------|
|                                                      | 2025                          | 2024         |
| Issued ordinary shares at beginning of year          | 343.7                         | 339.7        |
| <b>Issued in connection with:</b>                    |                               |              |
| Exercise of savings-related share options            | 0.3                           | 0.5          |
| Vesting of Performance Share Plan awards             | 0.5                           | 0.3          |
| Issued on acquisition of Lionmark (note 25)          | 2.1                           | -            |
| Issued on acquisition of BMC                         | -                             | 3.2          |
| <b>Issued ordinary shares at the end of the year</b> | <b>346.6</b>                  | <b>343.7</b> |

The Company issued 0.3 million (2024: 0.5 million) shares for cash raising £1.2m (2024: £1.3m) in connection with the exercise of certain savings-related share options, with £1.2m (2024: £1.3m) recognised as share premium.

## Notes to the consolidated financial statements

### 17 Capital, reserves and dividends continued

#### Share capital and share premium continued

The Company issued 0.5 million (2024: 0.3 million) shares for non-cash consideration of 1.0p (2024: 1.0p) per share, satisfied through the capitalisation of retained earnings, in connection with the vesting of awards under the PSP (note 18).

During 2025, 2.1 million of ordinary shares were issued to the vendor of Lionmark with £8.0m being recognised within the merger reserve, £0.1m recognised within share capital and £2.2m recognised within share premium.

During 2024, 3.2 million of ordinary shares were issued to the vendor of BMC, with £12.2m being recognised within the merger reserve.

#### Other reserves

##### Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedged instruments related to hedged transactions which have not yet occurred.

##### Merger reserve

In 2025, 2.1 million ordinary shares were issued to the vendor of Lionmark, with £8.0m being recognised as merger reserve. In 2024, 3.2 million of ordinary shares were issued to the vendor of BMC in 2024, with £12.2m being recognised as merger reserve.

##### Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations as well as from the translation of the liabilities that hedge the Group's net investment in foreign operations.

#### Dividends

##### Paid in year

Dividends paid comprise the following elements:

|                                                                          | 2025<br>£m  | 2024<br>£m  |
|--------------------------------------------------------------------------|-------------|-------------|
| Dividends paid to Breedon Group plc shareholders                         | 51.1        | 48.1        |
| Dividends paid to non-controlling interests in consolidated subsidiaries | 0.4         | 0.2         |
| <b>Total dividends paid</b>                                              | <b>51.5</b> | <b>48.3</b> |

Amounts recognised as dividends paid to Breedon Group plc shareholders in the year comprised £51.1m, being £34.6m in respect of the final dividend of the year ended 31 December 2024 of 10.0p per share and £16.5m in respect of an interim dividend of 4.75p per share for the year ended 31 December 2025.

Dividends totalling £0.4m have been paid to non-controlling interests relating to consolidated subsidiaries accounted for using the anticipated acquisition method which have been recognised directly in equity. No dividend has been paid to non-controlling interests relating to other consolidated subsidiaries.

#### Future dividends

The directors have proposed a final dividend in respect of the financial year ended 31 December 2025 of 10.25p per share which will absorb an estimated £35.5m of shareholders' funds. Assuming the final dividend is approved by shareholders at the Annual General Meeting of the Company to be held on 29 April 2026, the final dividend will be paid on 10 July 2026 to shareholders who are on the register at the close of business on 29 May 2026.

### 18 Share-based payments

Share-based payments to employees include PSP awards made to senior executives and voluntary participation in savings-related share option schemes ('Sharesave Schemes') for the wider workforce.

Under the PSP, awards may be granted to key senior employees as either a conditional award or as a nil paid (or nominal) cost award. Awards will normally vest three years after grant subject to satisfaction of the relevant performance conditions; for certain employees these may be subject to an additional two-year holding period.

Restricted stock unit ('RSU') awards may be granted to key senior employees in the US. Awards will normally vest three years after grant subject to satisfaction of the relevant performance conditions.

The deferred share bonus plan ('DSBP') relates to the deferral into shares of one third of any annual bonus paid to the executive directors. The shares are deferred for two years.

Sharesave Schemes (including the US ESPP) are open to all eligible employees in the UK, RoI and US. The UK and RoI schemes have a term of either three or five years. The US scheme has a total term of three years.

Further details of the interests of the directors in the PSP, DBSP and the Breedon Sharesave Schemes, can be found in the Directors' Remuneration report from pages 132 to 148.

## Notes to the consolidated financial statements

### 18 Share-based payments continued

#### Movements in outstanding options and awards

| Share options (millions)                      | Outstanding at 1 Jan 2025 | Granted | Vested | Lapsed | Outstanding at 31 Dec 2025 |
|-----------------------------------------------|---------------------------|---------|--------|--------|----------------------------|
| PSP – non-market-based performance conditions | 2.0                       | 0.7     | (0.2)  | (0.4)  | 2.1                        |
| PSP – market-based performance conditions     | 1.4                       | 0.6     | (0.2)  | (0.3)  | 1.5                        |
| DSBP – no performance conditions              | –                         | 0.1     | –      | –      | 0.1                        |
| RSU – no performance conditions               | –                         | 0.3     | –      | –      | 0.3                        |
| Sharesave Schemes                             | 4.1                       | 0.9     | (0.4)  | (0.6)  | 4.0                        |
|                                               | 7.5                       | 2.6     | (0.8)  | (1.3)  | 8.0                        |

All PSP and RSU share awards are structured as conditional awards. The exercise price for outstanding Sharesave Schemes at 31 December 2025 is between £3.02 and £4.19.

#### Options granted during the year

The fair value of options and awards granted during the year, and the key inputs used to derive the fair value, were as follows:

|                           | PSP – non-market-based performance conditions | PSP – market-based performance conditions | DSBP – non market based performance conditions | RSU – non market based performance conditions | Sharesave     |
|---------------------------|-----------------------------------------------|-------------------------------------------|------------------------------------------------|-----------------------------------------------|---------------|
| Fair value at grant date  | £4.28                                         | £2.95                                     | £4.28                                          | £4.38                                         | £0.93 – £1.23 |
| Valuation model           | Black-Scholes                                 | Stochastic                                | Black-Scholes                                  | Black-Scholes                                 | Black-Scholes |
| Exercise price            | –                                             | –                                         | –                                              | –                                             | £3.81 – £4.19 |
| Share price at grant date | £4.28                                         | £4.28                                     | £4.28                                          | £4.38                                         | £4.50         |
| Holding period            | 0 – 2 years                                   | 0 – 2 years                               | –                                              | –                                             | 0 – 1 year    |
| Expected volatility       | 24% – 27%                                     | 24% – 27%                                 | –                                              | –                                             | 24% – 28%     |
| Risk-free rate            | 3.96% – 4.04%                                 | 3.96% – 4.04%                             | –                                              | –                                             | 3.95% – 4.23% |
| Vesting period            | 3 years                                       | 3 years                                   | 2 years                                        | 3 years                                       | 2 – 5 years   |
| Expected dividend yield   | n/a                                           | n/a                                       | n/a                                            | n/a                                           | 3.22%         |

Where share awards contain mechanisms to compensate for the dilutive impact of dividends paid during the vesting period, no dividend yield has been incorporated into the calculation of the fair value of those awards.

Expected volatility has been calculated on share price movements compared to historic option values, over the period consistent with the holding period prior to the date of grant.

### 19 Financial instruments

The Group has the following financial assets and liabilities:

|                                    | 2025             |                                    |                                |
|------------------------------------|------------------|------------------------------------|--------------------------------|
|                                    | Book value<br>£m | Non-financial<br>instruments<br>£m | Financial<br>instruments<br>£m |
| <b>Financial assets</b>            |                  |                                    |                                |
| Trade and other receivables        | 266.8            | 15.4                               | 251.4                          |
| Cash and cash equivalents          | 115.5            | –                                  | 115.5                          |
| <b>Total financial assets</b>      | <b>382.3</b>     | <b>15.4</b>                        | <b>366.9</b>                   |
| <b>Financial liabilities</b>       |                  |                                    |                                |
| Borrowings                         | (596.6)          | 2.9                                | (599.5)                        |
| Lease liabilities                  | (46.2)           | –                                  | (46.2)                         |
| Trade and other payables           | (285.9)          | (32.5)                             | (253.4)                        |
| <b>Total financial liabilities</b> | <b>(928.7)</b>   | <b>(29.6)</b>                      | <b>(899.1)</b>                 |

|                                    | 2024 Restated <sup>1</sup> |                                    |                                |
|------------------------------------|----------------------------|------------------------------------|--------------------------------|
|                                    | Book value<br>£m           | Non-financial<br>instruments<br>£m | Financial<br>instruments<br>£m |
| <b>Financial assets</b>            |                            |                                    |                                |
| Trade and other receivables        | 261.0                      | 13.9                               | 247.1                          |
| Cash and cash equivalents          | 70.0                       | –                                  | 70.0                           |
| <b>Total financial assets</b>      | <b>331.0</b>               | <b>13.9</b>                        | <b>317.1</b>                   |
| <b>Financial liabilities</b>       |                            |                                    |                                |
| Borrowings                         | (426.6)                    | 2.8                                | (429.4)                        |
| Lease liabilities                  | (48.7)                     | –                                  | (48.7)                         |
| Trade and other payables           | (283.6)                    | (34.1)                             | (249.5)                        |
| <b>Total financial liabilities</b> | <b>(758.9)</b>             | <b>(31.3)</b>                      | <b>(727.6)</b>                 |

<sup>1</sup> Refer to note 29 for details of the restatement.

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Foreign exchange risk
- Liquidity risk
- Interest rate risk

## Notes to the consolidated financial statements

### 19 Financial instruments continued

#### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet their contractual obligations. Credit risk arises principally from the Group's cash and cash equivalents held with financial counterparties and the Group's receivables due from customers.

Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. At the reporting date there were no significant concentrations of customer credit risk.

Credit risk associated with cash balances is managed and limited by transacting with financial institutions with high-quality credit ratings.

#### Exposure to credit risk

The carrying amount of financial assets at the reporting date represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

|                             | Carrying amount |                                  |
|-----------------------------|-----------------|----------------------------------|
|                             | 2025<br>£m      | 2024 Restated <sup>1</sup><br>£m |
| Trade and other receivables | 251.4           | 247.1                            |
| Cash and cash equivalents   | 115.5           | 70.0                             |
|                             | <b>366.9</b>    | 317.1                            |

<sup>1</sup> Refer to note 29 for details of the restatement.

The maximum exposure to credit risk for trade and other receivables by reportable segment was:

|                        | Carrying amount |                                  |
|------------------------|-----------------|----------------------------------|
|                        | 2025<br>£m      | 2024 Restated <sup>1</sup><br>£m |
| Great Britain          | 161.9           | 160.3                            |
| Ireland                | 45.0            | 48.9                             |
| United States          | 44.3            | 37.5                             |
| Central administration | 0.2             | 0.4                              |
|                        | <b>251.4</b>    | 247.1                            |

<sup>1</sup> Restated to reflect the changes from a divisional management structure to a country-based management structure in 2025.

Management considers that the credit quality of the various receivables is good in respect of the amounts outstanding. The Group has no individually significant customers and the majority of the Group's customers are end-user customers. Credit insurance is in place to cover the majority of the Group's private sector UK and Ireland trade receivables, subject to an aggregate first loss. The Group has fully provided for all its doubtful debt exposure.

The remaining credit risk is therefore considered to be low. Balances are only written off when the Group has exhausted all options to recover the amounts receivable.

The ageing of trade and other receivables at the reporting date was:

|                               | 2025         |                  |              | 2024        |                  |           |
|-------------------------------|--------------|------------------|--------------|-------------|------------------|-----------|
|                               | Gross<br>£m  | Impairment<br>£m | Net<br>£m    | Gross<br>£m | Impairment<br>£m | Net<br>£m |
| Not past due                  | 219.1        | (2.8)            | 216.3        | 218.9       | (3.9)            | 215.0     |
| Past due<br>0-30 days         | 24.5         | (0.6)            | 23.9         | 19.1        | (0.6)            | 18.5      |
| Past due<br>31-60 days        | 5.5          | (0.3)            | 5.2          | 9.3         | (0.7)            | 8.6       |
| Past due more<br>than 60 days | 9.5          | (3.5)            | 6.0          | 8.4         | (3.4)            | 5.0       |
|                               | <b>258.6</b> | <b>(7.2)</b>     | <b>251.4</b> | 255.7       | (8.6)            | 247.1     |

Provisions for impairment of trade and other receivables are calculated on a lifetime expected loss model in line with IFRS 9 Financial Instruments. The key inputs in determining the level of provision are the historical level of bad debts experienced by the Group and ageing of outstanding amounts. Movements during the year were as follows:

|                                                              | 2025<br>£m | 2024<br>£m |
|--------------------------------------------------------------|------------|------------|
| At 1 January                                                 | 8.6        | 6.9        |
| Charged to the consolidated income statement during the year | 2.2        | 3.5        |
| Business combination                                         | 0.4        | 1.0        |
| Utilised during the year                                     | (2.2)      | (1.7)      |
| Unused amounts released                                      | (1.8)      | (1.1)      |
| <b>At 31 December</b>                                        | <b>7.2</b> | <b>8.6</b> |

## Notes to the consolidated financial statements

### 19 Financial instruments continued

#### Foreign exchange risk

##### Transactional

The Group has limited transactional currency exposures arising on sales and purchases made in currencies other than the functional currency of the entity making the sale or purchase. Significant exposures which are deemed at least highly probable are matched where possible.

##### Translation

The Group has significant net assets denominated in Euro and US Dollars. The translation of these balances into Sterling for reporting purposes exposes the Group to foreign exchange movements in the consolidated statement of financial position and consolidated income statement, along with a corresponding impact on certain key performance indicators.

The Group's strategy is to mitigate this risk through utilising Euro and US Dollar borrowings as a hedge against movements in the Sterling value of Euro and US Dollar investments. The level of this hedge is currently managed with the objective of mitigating the impact of foreign exchange movements on Covenant Leverage.

#### Currency analysis and exchange rate sensitivity

Foreign currency financial assets and liabilities, translated into Sterling at the closing rate, are as follows:

|                                    | 2025           |                |                 |                | 2024 Restated <sup>1</sup> |                |                 |                |
|------------------------------------|----------------|----------------|-----------------|----------------|----------------------------|----------------|-----------------|----------------|
|                                    | Sterling<br>£m | Euro<br>£m     | US Dollar<br>£m | Total<br>£m    | Sterling<br>£m             | Euro<br>£m     | US Dollar<br>£m | Total<br>£m    |
| <b>Financial assets</b>            |                |                |                 |                |                            |                |                 |                |
| Trade and other receivables        | 177.6          | 29.7           | 44.1            | 251.4          | 181.1                      | 28.5           | 37.5            | 247.1          |
| Cash and cash equivalents          | 69.8           | 18.2           | 27.5            | 115.5          | 44.5                       | 23.9           | 1.6             | 70.0           |
| <b>Total financial assets</b>      | <b>247.4</b>   | <b>47.9</b>    | <b>71.6</b>     | <b>366.9</b>   | <b>225.6</b>               | <b>52.4</b>    | <b>39.1</b>     | <b>317.1</b>   |
| <b>Financial liabilities</b>       |                |                |                 |                |                            |                |                 |                |
| Borrowings                         | (208.4)        | (257.5)        | (133.6)         | (599.5)        | (208.6)                    | (169.0)        | (51.8)          | (429.4)        |
| Lease liabilities                  | (44.6)         | (0.7)          | (0.9)           | (46.2)         | (47.3)                     | -              | (1.4)           | (48.7)         |
| Trade and other payables           | (202.9)        | (34.8)         | (15.7)          | (253.4)        | (204.9)                    | (33.3)         | (11.3)          | (249.5)        |
| <b>Total financial liabilities</b> | <b>(455.9)</b> | <b>(293.0)</b> | <b>(150.2)</b>  | <b>(899.1)</b> | <b>(460.8)</b>             | <b>(202.3)</b> | <b>(64.5)</b>   | <b>(727.6)</b> |

<sup>1</sup> Refer to note 29 for details of the restatement.

|                                                                     | 2025       |                 | 2024       |                 |
|---------------------------------------------------------------------|------------|-----------------|------------|-----------------|
|                                                                     | Euro<br>£m | US Dollar<br>£m | Euro<br>£m | US Dollar<br>£m |
| <b>Potential impact on profit before taxation – gain/(loss)</b>     |            |                 |            |                 |
| 10% appreciation in foreign currency                                | (1.6)      | 0.7             | 1.9        | 1.1             |
| 10% depreciation in foreign currency                                | 1.3        | (0.6)           | (1.3)      | (0.9)           |
|                                                                     |            |                 |            |                 |
|                                                                     | 2025       |                 | 2024       |                 |
|                                                                     | Euro<br>£m | US Dollar<br>£m | Euro<br>£m | US Dollar<br>£m |
| <b>Potential impact on other comprehensive income – gain/(loss)</b> |            |                 |            |                 |
| 10% appreciation in foreign currency                                | (27.2)     | (8.7)           | (16.7)     | (2.8)           |
| 10% depreciation in foreign currency                                | 22.3       | 7.2             | 13.6       | 2.3             |

## Notes to the consolidated financial statements

### 19 Financial instruments continued

#### Significant exchange rates

The following significant exchange rates applied during the year:

|                    | 2025         |               | 2024         |               |
|--------------------|--------------|---------------|--------------|---------------|
|                    | Average rate | Year-end rate | Average rate | Year-end rate |
| Sterling/Euro      | 1.17         | 1.15          | 1.18         | 1.21          |
| Sterling/US Dollar | 1.32         | 1.35          | 1.29         | 1.26          |

#### Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient financial resources to meet obligations as they fall due. The Group manages liquidity risk by monitoring forecasts and cash flows and negotiating appropriate bank facilities. The Group uses term and revolving bank facilities and sufficient headroom is maintained above peak requirements to meet unforeseen events.

The following are the contractual maturities of financial liabilities, including estimated interest payments, assuming the current utilisation remains until the contract matures:

| 31 December 2025                            | Carrying amount<br>£m | Contractual cash flows<br>£m | Within one year<br>£m | Between one and five years<br>£m | More than five years<br>£m |
|---------------------------------------------|-----------------------|------------------------------|-----------------------|----------------------------------|----------------------------|
| <b>Non-derivative financial liabilities</b> |                       |                              |                       |                                  |                            |
| Overdrafts                                  |                       |                              |                       |                                  |                            |
| – Sterling                                  | 38.4                  | 38.4                         | 38.4                  | –                                | –                          |
| – Euro                                      | 5.5                   | 5.5                          | 5.5                   | –                                | –                          |
| Revolving Credit Facility                   |                       |                              |                       |                                  |                            |
| – Sterling                                  | –                     | 4.3                          | 1.2                   | 3.1                              | –                          |
| – Euro                                      | 87.2                  | 99.0                         | 3.3                   | 95.7                             | –                          |
| – US Dollar                                 | 133.6                 | 164.0                        | 8.6                   | 155.4                            | –                          |
| USPP loan notes                             |                       |                              |                       |                                  |                            |
| – Sterling                                  | 170.0                 | 199.6                        | 3.9                   | 39.8                             | 155.9                      |
| – Euro                                      | 164.8                 | 187.9                        | 4.2                   | 86.8                             | 96.9                       |
| Lease liabilities                           | 46.2                  | 67.9                         | 7.2                   | 23.1                             | 37.6                       |
| Trade and other payables                    | 253.4                 | 253.4                        | 253.4                 | –                                | –                          |
|                                             | 899.1                 | 1,020.0                      | 325.7                 | 403.9                            | 290.4                      |

| 31 December 2024 Restated <sup>1</sup>      | Carrying amount<br>£m | Contractual cash flows<br>£m | Within one year<br>£m | Between one and five years<br>£m | More than five years<br>£m |
|---------------------------------------------|-----------------------|------------------------------|-----------------------|----------------------------------|----------------------------|
| <b>Non-derivative financial liabilities</b> |                       |                              |                       |                                  |                            |
| Overdrafts                                  |                       |                              |                       |                                  |                            |
| – Sterling                                  | 28.6                  | 28.6                         | 28.6                  | –                                | –                          |
| – Euro                                      | 12.5                  | 12.5                         | 12.5                  | –                                | –                          |
| Revolving Credit Facility                   |                       |                              |                       |                                  |                            |
| – Sterling                                  | 10.0                  | 18.0                         | 2.2                   | 15.8                             | –                          |
| – Euro                                      | 78.6                  | 92.6                         | 3.9                   | 88.7                             | –                          |
| – US Dollar                                 | 51.8                  | 63.7                         | 3.3                   | 60.4                             | –                          |
| USPP loan notes                             |                       |                              |                       |                                  |                            |
| – Sterling                                  | 170.0                 | 203.6                        | 4.0                   | 40.3                             | 159.3                      |
| – Euro                                      | 77.9                  | 83.2                         | 0.9                   | 42.3                             | 40.0                       |
| Lease liabilities                           | 48.7                  | 74.9                         | 9.0                   | 23.3                             | 42.6                       |
| Trade and other payables                    | 249.5                 | 249.5                        | 249.5                 | –                                | –                          |
|                                             | 727.6                 | 826.6                        | 313.9                 | 270.8                            | 241.9                      |

<sup>1</sup> Refer to note 29 for details of the restatement.

#### Interest rate risk

The Group borrows at floating and fixed interest rates. At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

|                                  | 2025<br>£m | 2024 Restated <sup>1</sup><br>£m |
|----------------------------------|------------|----------------------------------|
| <b>Fixed rate instruments</b>    |            |                                  |
| Financial liabilities            | (381.0)    | (296.6)                          |
| <b>Variable rate instruments</b> |            |                                  |
| Financial assets                 | 115.5      | 70.0                             |
| Financial liabilities            | (264.7)    | (181.5)                          |

<sup>1</sup> Refer to note 29 for details of the restatement.

#### Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

## Notes to the consolidated financial statements

### 19 Financial instruments continued

#### Cash flow sensitivity analysis for variable rate instruments

As at 31 December 2025, drawn borrowings on the USPP are fixed rate and are not exposed to interest rate fluctuations. The RCF is subject to variable interest rates. An increase of 100 basis points in interest rates in respect of variable rate instruments at the reporting date values would decrease profit for the year by £2.2m (2024: decrease of £1.5m). A decrease of 100 basis points would increase profit for the year by £2.2m (2024: increase of £1.5m). These analyses assume that all other variables remain constant.

#### Fair values versus carrying amounts

The directors consider that the carrying amounts recorded in the financial information in respect of financial assets and liabilities, which are carried at amortised cost, approximate to their fair values with the exception of the £334.8m of USPP loan note liabilities which have an estimated fair value of £287.8m, valued as Level 3 according to the definitions below. Derivative financial assets and liabilities are carried at fair value. The different levels are defined as follows:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either as a direct price or indirectly derived from prices; and
- Level 3 – inputs for the asset or liability that are not based on observable market data.

The fair values of the derivative financial assets and liabilities are based on bank valuations.

#### Capital management

The Board's capital management policy is to maintain a strong balance sheet, providing flexibility to pursue growth opportunities. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

In maintaining the Group's capital structure in line with these principles, the Board may choose to adjust amounts paid as dividends to shareholders, issue new equity or dispose of assets as required.

The financial covenants associated with the Group's borrowings are a maximum leverage ratio and a minimum interest cover. Covenants are tested half-yearly and the Group remained compliant during the period.

### 20 Leases

#### Right-of-use assets

|                                             | Land and buildings<br>£m | Plant, equipment and vehicles<br>£m | Total<br>£m |
|---------------------------------------------|--------------------------|-------------------------------------|-------------|
| <b>Cost</b>                                 |                          |                                     |             |
| Balance at 1 January 2025                   | 59.8                     | 29.6                                | 89.4        |
| Acquired on business combinations (note 25) | 0.6                      | –                                   | 0.6         |
| Additions                                   | 4.0                      | 3.5                                 | 7.5         |
| Disposals and impairments                   | (2.1)                    | (1.8)                               | (3.9)       |
| Transfer to owned assets (note 8)           | –                        | (0.2)                               | (0.2)       |
| Translation adjustment                      | (0.1)                    | –                                   | (0.1)       |
| <b>Balance at 31 December 2025</b>          | <b>62.2</b>              | <b>31.1</b>                         | <b>93.3</b> |

#### Depreciation

|                                    |             |             |             |
|------------------------------------|-------------|-------------|-------------|
| Balance at 1 January 2025          | 18.2        | 24.7        | 42.9        |
| Charge for the year                | 4.3         | 3.7         | 8.0         |
| Disposals and impairments          | (1.1)       | (1.8)       | (2.9)       |
| <b>Balance at 31 December 2025</b> | <b>21.4</b> | <b>26.6</b> | <b>48.0</b> |

#### Net book value

|                            |             |            |             |
|----------------------------|-------------|------------|-------------|
| <b>At 31 December 2025</b> | <b>40.8</b> | <b>4.5</b> | <b>45.3</b> |
|----------------------------|-------------|------------|-------------|

#### Cost

|                                             |             |             |             |
|---------------------------------------------|-------------|-------------|-------------|
| Balance at 1 January 2024                   | 51.2        | 32.7        | 83.9        |
| Acquired on business combinations (note 25) | 1.2         | –           | 1.2         |
| Additions                                   | 8.3         | 0.3         | 8.6         |
| Disposals and impairments                   | (0.9)       | (3.4)       | (4.3)       |
| <b>Balance at 31 December 2024</b>          | <b>59.8</b> | <b>29.6</b> | <b>89.4</b> |

#### Depreciation

|                                    |             |             |             |
|------------------------------------|-------------|-------------|-------------|
| Balance at 1 January 2024          | 14.8        | 24.0        | 38.8        |
| Charge for the year                | 4.0         | 4.1         | 8.1         |
| Disposals and impairments          | (0.6)       | (3.4)       | (4.0)       |
| <b>Balance at 31 December 2024</b> | <b>18.2</b> | <b>24.7</b> | <b>42.9</b> |

#### Net book value

|                            |             |            |             |
|----------------------------|-------------|------------|-------------|
| <b>At 31 December 2024</b> | <b>41.6</b> | <b>4.9</b> | <b>46.5</b> |
|----------------------------|-------------|------------|-------------|

## Notes to the consolidated financial statements

### 20 Leases continued

Lease liabilities are secured on the assets to which they relate and are payable as follows:

| Minimum lease payments     | 2025<br>£m | 2024<br>£m |
|----------------------------|------------|------------|
| Less than one year         | 7.2        | 9.0        |
| Between one and five years | 23.1       | 23.3       |
| More than five years       | 37.6       | 42.6       |
|                            | 67.9       | 74.9       |

The value of lease payments inclusive of capital repayments and interest made during the year were £13.2m (2024: £12.3m).

#### Movements between owned and leased assets

Items transferred to owned assets represent leases where the liability has been fully repaid in the normal course of business and legal ownership of the asset has transferred to the Group. Where an underlying physical asset is purchased by the Group and this causes an existing lease to end, this is presented as an addition to owned assets within note 8 and as a disposal of a leased asset within this note.

### 21 Capital commitments

At 31 December 2025, the Group had commitments to purchase property, plant and equipment for £19.4m (2024: £13.7m). These commitments are expected to be settled during the course of 2026.

### 22 Related parties

During the year the Group supplied services and materials to, and purchased services and materials from, its associate and joint ventures on an arm's length basis.

The Group had the following transactions with these related parties during the year:

|                | Sales<br>£m | Purchases<br>£m | Receivables<br>£m | Payables<br>£m |
|----------------|-------------|-----------------|-------------------|----------------|
| <b>2025</b>    |             |                 |                   |                |
| BEAR Scotland  | 37.0        | -               | 1.0               | -              |
| Joint ventures | 21.4        | 8.5             | 3.5               | 0.2            |
|                | 58.4        | 8.5             | 4.5               | 0.2            |
| <b>2024</b>    |             |                 |                   |                |
| BEAR Scotland  | 21.9        | -               | 1.3               | -              |
| Joint ventures | 6.0         | 2.4             | 1.1               | 0.1            |
|                | 27.9        | 2.4             | 2.4               | 0.1            |

#### Parent and ultimate controlling party

The Company's shares are traded on the Premium Segment of the Main Market of the London Stock Exchange. The Company's shareholder base is monitored on a regular basis. There is no controlling party and the Company does not have a parent.

#### Transactions with directors and directors' shareholdings

Details of transactions with directors, directors' shareholdings and outstanding share options and awards are given in the Directors' Remuneration report on pages 132 to 148.

## Notes to the consolidated financial statements

### 23 Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to Breedon Group shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing profit for the year attributable to Breedon Group shareholders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the potential dilutive ordinary shares into ordinary shares.

Calculations of these measures and reconciliations to related alternative performance measures are as follows:

#### Basic EPS to Adjusted Underlying Basic EPS

|                                      | 2025           |                    |              | 2024           |                    |              |
|--------------------------------------|----------------|--------------------|--------------|----------------|--------------------|--------------|
|                                      | Earnings<br>£m | Shares<br>millions | EPS<br>pence | Earnings<br>£m | Shares<br>millions | EPS<br>pence |
| <b>Basic EPS</b>                     | <b>83.8</b>    | <b>346.0</b>       | <b>24.2</b>  | 96.2           | 342.8              | 28.1         |
| <i>Adjustments to earnings</i>       |                |                    |              |                |                    |              |
| Non-underlying items (note 3)        | 26.4           | -                  | 7.6          | 21.8           | -                  | 6.3          |
| <b>Adjusted Underlying Basic EPS</b> | <b>110.2</b>   | <b>346.0</b>       | <b>31.8</b>  | 118.0          | 342.8              | 34.4         |

#### Diluted EPS to Adjusted Underlying Diluted EPS

|                                        | 2025           |                    |              | 2024           |                    |              |
|----------------------------------------|----------------|--------------------|--------------|----------------|--------------------|--------------|
|                                        | Earnings<br>£m | Shares<br>millions | EPS<br>pence | Earnings<br>£m | Shares<br>millions | EPS<br>pence |
| <b>Diluted EPS</b>                     | <b>83.8</b>    | <b>346.3</b>       | <b>24.2</b>  | 96.2           | 343.7              | 28.0         |
| <i>Adjustments to earnings</i>         |                |                    |              |                |                    |              |
| Non-underlying items (note 3)          | 26.4           | -                  | 7.6          | 21.8           | -                  | 6.3          |
| <b>Adjusted Underlying Diluted EPS</b> | <b>110.2</b>   | <b>346.3</b>       | <b>31.8</b>  | 118.0          | 343.7              | 34.3         |

Dilutive items in both the current and prior year related to share-based payments. Details of the Group's share schemes, which may become dilutive in the future, are set out in note 18.

### 24 Contingent liabilities

The Group has guaranteed its share of the banking facilities of BEAR Scotland. The maximum liability at 31 December 2025 amounted to £2.9m (2024: £2.9m). This has been accounted for as a Financial Guarantee Contract in line with IFRS 9 Financial Instruments.

The Group has guaranteed the performance of the BEAR Scotland contracts in respect of the maintenance of certain trunk roads in the North-West and South-East of Scotland and in respect of the M80 operating and maintenance contract. The Group has also guaranteed the performance of the Breedon Colas contract in respect of Lot 1 of the North Super Region of the Pavement Delivery Framework issued by National Highways. These guarantees have been accounted for as insurance contracts in line with IFRS 17 Insurance Contracts.

For the year ended 31 December 2025, the Group has elected to take advantage of Section 479A of the Companies Act 2006 for the following subsidiary companies. As a result, these companies are exempt from the requirement to perform an audit of the individual financial statements and the Company guarantees all outstanding liabilities to which the subsidiary companies are subject.

| Name of undertaking                   | Country of incorporation or registration | Company registration number |
|---------------------------------------|------------------------------------------|-----------------------------|
| Alliance Recycling (UK) Ltd           | England and Wales                        | 09418245                    |
| Alpha Resource Management Ltd         | Northern Ireland                         | NI 059764                   |
| Breedon Bow Highways Limited          | England and Wales                        | 9804033                     |
| Breedon Facilities Management Limited | Scotland                                 | SC205744                    |
| Breedon Investment UK Limited         | England and Wales                        | 15532326                    |
| Breedon Midco Limited                 | England and Wales                        | 14777332                    |
| Breedon Whitemountain Ltd             | Scotland                                 | SC521760                    |
| Lagan Asphalt UK Limited              | Northern Ireland                         | NI 626706                   |
| Lagan Asphalt Group Limited           | Northern Ireland                         | NI073968                    |
| Minster Surfacing Limited             | England and Wales                        | 04084446                    |
| Robinson Quarry Masters Limited       | Northern Ireland                         | NI 009269                   |
| Tor Multimix Limited                  | England and Wales                        | 04590335                    |

## Notes to the consolidated financial statements

### 25 Acquisitions

#### Current year acquisitions

The Group completed four acquisitions in the period, being Lionmark Construction Companies LLC, Tipperary Asphalt Limited, Tor Multimix Limited and Hardcrete Limited.

#### Lionmark Construction Companies LLC ('Lionmark')

On 5 March 2025, the Group completed the acquisition of 100% of the issued share capital of Lionmark Construction Companies LLC and the trade and certain assets of Missouri Petroleum Products Company (together, "Lionmark"), a construction materials and surfacing business. The transactions together constituted a single business combination and have been accounted for accordingly.

The fair values in respect of the identifiable assets acquired and liabilities assumed are set out below:

|                                    | Fair value on acquisition<br>£m |
|------------------------------------|---------------------------------|
| Intangible assets                  | 114.1                           |
| Property, plant and equipment      | 42.6                            |
| Investments in joint ventures      | 0.7                             |
| Inventories                        | 4.4                             |
| Trade and other receivables        | 13.2                            |
| Cash and cash equivalents          | 2.7                             |
| Trade and other payables           | (11.0)                          |
| Provisions                         | (0.7)                           |
| Borrowings                         | (17.2)                          |
| Deferred tax liabilities           | (0.7)                           |
| <b>Total acquired net assets</b>   | <b>148.1</b>                    |
| Cash consideration on completion   | 159.5                           |
| Equity consideration               | 10.4                            |
| <b>Total consideration payable</b> | <b>169.9</b>                    |
| <b>Goodwill arising</b>            | <b>21.8</b>                     |

#### Equity consideration

Equity consideration comprises 2,146,402 ordinary shares issued to the vendor, valued based on the market price of those shares at the date of acquisition.

#### Fair value adjustments

Fair value adjustments are inclusive of adjustments to:

- recognise intangible assets, including the value of acquired customer relationships and order books. The value of these assets was assessed with the support of a third party corporate finance specialist using an excess earnings method, based on estimated cash flows (see accounting policies, on page 171);
- revalue certain items of property, plant and equipment to reflect the fair value at date of acquisition;
- working capital accounts to reflect fair value; and
- restoration provisions to reflect costs to comply with environmental and other legislation.

The goodwill arising represents the strategic geographic location of assets acquired, the potential for future growth and the skills of the existing workforce and management team. Goodwill is deductible for tax purposes.

Since the interim results were published, goodwill has fallen by £1.5m, mainly due to fair value adjustments to property, plant and equipment.

#### Other current year acquisitions

The directors consider the remaining acquisitions completed in the year, being 100% of the share capital of Tor Multimix Limited (31 March 2025), 100% of the share capital of Tipperary Asphalt Limited (31 May 2025), and the trade and assets of Hardcrete Limited (28 November 2025) to be individually immaterial, but material in aggregate.

## Notes to the consolidated financial statements

### 25 Acquisitions continued

The combined provisional fair values in respect of the identifiable assets acquired and liabilities assumed are set out below:

|                                       | Provisional<br>fair value on<br>acquisition<br>£m |
|---------------------------------------|---------------------------------------------------|
| Intangible assets                     | 0.5                                               |
| Property, plant and equipment         | 5.7                                               |
| Right-of-use assets                   | 0.6                                               |
| Inventories                           | 0.1                                               |
| Trade and other receivables           | 0.7                                               |
| Cash and cash equivalents             | 0.1                                               |
| Trade and other payables              | (1.0)                                             |
| Provisions                            | (1.2)                                             |
| Borrowings                            | (5.5)                                             |
| Deferred tax liabilities              | (0.5)                                             |
| <b>Total acquired net liabilities</b> | <b>(0.5)</b>                                      |
| Cash consideration on completion      | 3.2                                               |
| Deferred consideration                | 2.5                                               |
| Contingent consideration              | 0.2                                               |
| <b>Total consideration payable</b>    | <b>5.9</b>                                        |
| <b>Goodwill arising</b>               | <b>6.4</b>                                        |

#### Fair value adjustments

The fair value adjustments primarily comprised:

- intangible assets, including the value of acquired customer relationships; and
- deferred tax balances.

The goodwill arising represents expected synergies, the potential for future growth, and the skills of the existing workforce.

### Impact of current year acquisitions

#### Income statement

During the period, the Lionmark acquisition (which was acquired 5 March 2025), contributed revenues of £161.4m, Underlying EBITDA of £21.1m and profit before taxation of £14.0m to the results of the Group.

Other current year acquisitions contributed revenues of £3.0m, Underlying EBITDA of £(0.2)m and a loss before taxation of £0.7m to the results of the Group.

Had these acquisitions occurred on 1 January 2025, the results of the Group for the year ended 31 December 2025 would have shown revenue of £1,724.3m, Underlying EBITDA of £275.1m and profit before taxation of £100.1m.

#### Cash flow

The cash flow impact of acquisitions in the year can be summarised as follows:

|                                                                                 | £m           |
|---------------------------------------------------------------------------------|--------------|
| Consideration – cash                                                            | 162.7        |
| Cash and cash equivalents acquired                                              | (2.8)        |
| <b>Net cash consideration shown in the consolidated statement of cash flows</b> | <b>159.9</b> |

#### Acquisition costs

The Group incurred acquisition-related costs of £3.8m (2024: £10.2m) which included external professional fees in relation to these acquisitions. These are presented as non-underlying operating costs (note 3).

### Prior year acquisitions

The Group acquired one individually material acquisition in the prior year being BMC Enterprises, Inc (6 March 2024) and three individually immaterial acquisitions, being Eco-Asphalt Supplies Limited (31 January 2024), 80% of the share capital of Phoenix Surfacing Limited (1 April 2024) and the trade and assets of Building Products Inc. (18 October 2024) for a total consideration of £197.1m. No additional adjustments have been made in respect of these acquisitions within the measurement period and the provisional values reported in the prior year are now considered final.

## Notes to the consolidated financial statements

### 26 Accounting estimates and judgements

Preparation of financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and their associated underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial information are described below.

#### Accounting estimates

##### Restoration provisions

Restoration provisions principally comprise provisions for the cost of decommissioning and restoring sites. This is an inherently subjective calculation and there is significant estimation required to determine the future cost of the approved restoration scheme.

Estimated future cash flows have been determined on a site-by-site basis based on the present day cost of restoration. An increase in these gross cash flow assumptions of 10% would result in an increase to the restoration liability of £9.3m. The estimated cost of restoration is subject to both internal and external expert evaluation in order to mitigate the risk of material error.

These cash flows are inflated to the point that the cash flow is expected to occur and discounted, at a rate which reflects both the time value of money and the risk-free rate, in order to derive the net present value of the obligation as at the balance sheet date. The discount and long-term inflation rates used in this calculation are between 2.2 and 5.2% and 1.8 and 3.0% respectively. A 100bps increase in discount rate or decrease in the long-term inflation rate would result in a decrease in the value of restoration provisions by £8.0m or £8.4m respectively. A 100bps decrease in discount rate or increase in the long-term inflation rate would result in an increase in the value of restoration provisions by £9.4m or £9.7m respectively.

Restoration dates have been determined as the earlier of the date at which reserves are expected to be exhausted or planning permission on reserves is expected to expire. Reasonably possible changes in restoration dates would not have a material impact on the financial statements, and management does not consider restoration dates to be significant estimates.

#### Accounting judgements

##### Impact of climate change on impairment review

The Group is committed to achieving net zero by 2050, as well as to the manufacture of cement at its two well-invested cement plants; however, to achieve net zero is likely to require a significant reduction in carbon emissions.

The cash flows used in our impairment review are underpinned by a judgement that future cement volumes remain broadly in line with current levels and that increased costs to achieve net zero will be recovered through market acceptance of increased pricing.

See note 9 for additional detail and further information on how the impact of climate change and the estimation uncertainty involved has been considered through the impairment testing.

### 27 Reconciliation to non-GAAP measures

Non-GAAP performance measures are used throughout this Annual Report and these consolidated financial statements. This note provides a reconciliation between these alternative performance measures to the most directly related statutory measures.

These measures are not a substitute for, or superior to, any IFRS measures of performance. Management believes these measures allow an understanding of the Group's underlying business performance. They are defined as:

#### Underlying EBITDA margin

Underlying EBITDA margin is a profitability ratio that measures how much Underlying EBITDA the business generates as a percentage of its revenue. It shows the core operating performance of the business before the impact of non-underlying items.

## Notes to the consolidated financial statements

### 27 Reconciliation to non-GAAP measures continued

#### Reconciliation of earnings-based alternative performance measures

| 2025                                            | Great Britain<br>£m | Ireland<br>£m | United States<br>£m | Central administration and eliminations<br>£m | Share of profit of associate and joint ventures<br>£m | Total<br>£m  |
|-------------------------------------------------|---------------------|---------------|---------------------|-----------------------------------------------|-------------------------------------------------------|--------------|
| Revenue                                         | 1,116.1             | 291.6         | 316.1               | (10.0)                                        | -                                                     | 1,713.8      |
| Profit from operations                          |                     |               |                     |                                               |                                                       | 134.8        |
| Non-underlying items (note 3)                   |                     |               |                     |                                               |                                                       | 34.9         |
| Share of profit of associate and joint ventures | -                   | -             | -                   | -                                             | (4.1)                                                 | (4.1)        |
| Depreciation and mineral depletion              | 81.2                | 12.5          | 19.2                | 0.3                                           | -                                                     | 113.2        |
| <b>Underlying EBITDA</b>                        | <b>185.2</b>        | <b>64.3</b>   | <b>42.8</b>         | <b>(13.5)</b>                                 | <b>-</b>                                              | <b>278.8</b> |
| <b>Underlying EBITDA margin</b>                 | <b>16.6%</b>        | <b>22.1%</b>  | <b>13.5%</b>        | <b>-</b>                                      | <b>-</b>                                              | <b>16.3%</b> |

| 2024 Restated <sup>1</sup>                      | Great Britain<br>£m | Ireland<br>£m | United States<br>£m | Central administration and eliminations<br>£m | Share of profit of associate and joint ventures<br>£m | Total<br>£m |
|-------------------------------------------------|---------------------|---------------|---------------------|-----------------------------------------------|-------------------------------------------------------|-------------|
| Revenue                                         | 1,155.8             | 297.6         | 132.5               | (9.6)                                         | -                                                     | 1,576.3     |
| Profit from operations                          |                     |               |                     |                                               |                                                       | 149.6       |
| Non-underlying items (note 3)                   |                     |               |                     |                                               |                                                       | 24.1        |
| Share of profit of associate and joint ventures | -                   | -             | -                   | -                                             | (3.5)                                                 | (3.5)       |
| Depreciation and mineral depletion              | 78.0                | 13.0          | 8.4                 | 0.3                                           | -                                                     | 99.7        |
| Underlying EBITDA                               | 192.7               | 68.9          | 24.8                | (16.5)                                        | -                                                     | 269.9       |
| Underlying EBITDA margin                        | 16.7%               | 23.2%         | 18.7%               | -                                             | -                                                     | 17.1%       |

<sup>1</sup> Restated to reflect the changes from a divisional management structure to a country-based management structure in 2025.

#### Like-for-like alternative performance measures

There are a number of references throughout this report to like-for-like revenue, earnings and volumes. Like-for-like numbers adjust for the impact of acquisitions, disposals and material currency fluctuations. Currency fluctuations are calculated on a constant currency basis by applying the average exchange rate for the prior period to the current local currency amount. Like-for-like measures have been used alongside non-like-for-like measures to help the Group better communicate performance in the year when compared to previous reporting periods.

#### Covenant Leverage

Covenant Leverage is defined as the ratio of Underlying EBITDA to Net Debt, with both Underlying EBITDA and Net Debt adjusted to reflect the material items which are adjusted by the Group and its lenders in determining leverage for the purpose of assessing covenant compliance and, in the case of our bank facilities, the margin payable on drawn borrowings. In both the current and prior year, the only material adjusting item was the impact of IFRS 16 Leases.

#### Net Debt

Net Debt is calculated as the net of cash and cash equivalents and interest-bearing loans and borrowings (both current and non-current). It is a measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength. Net Debt is also shown on a pre-IFRS 16 basis as the Group's banking covenants and margins payable on bank borrowings are calculated on this basis.

|                                               | 2025<br>£m        | 2024<br>£m        |
|-----------------------------------------------|-------------------|-------------------|
| Underlying EBITDA                             | 278.8             | 269.9             |
| Impact of IFRS 16                             | (10.8)            | (11.0)            |
| <b>Underlying EBITDA for covenants</b>        | <b>268.0</b>      | <b>258.9</b>      |
| <b>Net Debt (excluding IFRS 16) (note 14)</b> | <b>481.1</b>      | <b>356.6</b>      |
| <b>Covenant Leverage</b>                      | <b>1.8x</b>       | <b>1.4x</b>       |
| <b>Covenant Leverage threshold</b>            | <b>Under 3.0x</b> | <b>Under 3.0x</b> |

## Notes to the consolidated financial statements

### 27 Reconciliation to non-GAAP measures continued

#### Interest Cover

Interest Cover is defined as the ratio of Underlying EBITDA to interest expense, with both Underlying EBITDA and interest charged adjusted to reflect the material items which are adjusted by the Group and its lenders in determining Interest Cover for the purpose of assessing covenant compliance. In both the current and prior year, the only material adjusting item was the impact of IFRS 16 Leases.

|                                          | 2025<br>£m       | 2024<br>£m |
|------------------------------------------|------------------|------------|
| <b>Underlying EBITDA for covenants</b>   | <b>268.0</b>     | 258.9      |
| <b>Interest expense (note 6)</b>         | <b>21.8</b>      | 15.9       |
| <b>Interest Cover</b>                    | <b>12.3x</b>     | 16.3x      |
| <b>Interest Cover covenant threshold</b> | <b>Over 3.5x</b> | Over 3.5x  |

#### Free Cash Flow (FCF) conversion

FCF is calculated as statutory (reported) net cash flow from operating activities and net cash used in investing activities, adjusted for the cash impact of major capital projects in the year, cash associated with acquisition of businesses and the cash impact of non-underlying items. FCF represents the cash that the Group generates after investing to maintain or expand its asset base, and is considered useful by management in assessing liquidity.

FCF has been reconciled to net cash from operating activities, which is the most relevant GAAP measure.

|                                           | 2025<br>£m   | 2024<br>£m |
|-------------------------------------------|--------------|------------|
| <b>Net cash from operating activities</b> | <b>225.9</b> | 201.7      |
| Net cash used in investing activities     | (265.2)      | (296.2)    |
| Cash impact of major capital projects     | 4.2          | 23.4       |
| Acquisition of businesses                 | 159.9        | 173.6      |
| Cash impact of non-underlying items       | 8.4          | 11.6       |
| <b>Free Cash Flow</b>                     | <b>133.2</b> | 114.1      |
| <b>Underlying EBITDA</b>                  | <b>278.8</b> | 269.9      |
| <b>Free Cash Flow conversion</b>          | <b>48%</b>   | 42%        |

Major capital projects include the ARM installation and Primary Crusher projects at Hope and the Solar Farm at Kinnegad.

#### Return on Invested Capital

ROIC measures how efficiently a business generates operating returns from the total capital invested in it. ROIC is calculated as Underlying earnings before interest for the previous 12 months, divided by Adjusted average invested capital for the year.

|                                                               | 2025<br>£m     | 2024<br>£m |
|---------------------------------------------------------------|----------------|------------|
| <b>Underlying profit from operations</b>                      | <b>169.7</b>   | 173.7      |
| Underlying effective tax rate (note 7)                        | 21.3%          | 21.7%      |
| Taxation at the Group's Underlying effective rate             | (36.1)         | (37.7)     |
| <b>Underlying earnings before interest</b>                    | <b>133.6</b>   | 136.0      |
| Net assets                                                    | 1,197.2        | 1,170.6    |
| Net Debt (note 14)                                            | 527.3          | 405.3      |
| <b>Invested capital at 31 December</b>                        | <b>1,724.5</b> | 1,575.9    |
| <b>Average invested capital<sup>1</sup></b>                   | <b>1,650.2</b> | 1,428.3    |
| Adjustment for timing of significant acquisition <sup>2</sup> | 61.7           | 83.3       |
| <b>Adjusted average invested capital</b>                      | <b>1,711.9</b> | 1,511.6    |
| <b>Return on Invested Capital</b>                             | <b>7.8%</b>    | 9.0%       |

1 Average invested capital is calculated by taking the average of the opening invested capital at 1 January and the closing invested capital at 31 December. Opening invested capital at 1 January 2024 was £1,280.6m.

2 This adjustment is made to the average of opening and closing invested capital to more accurately reflect the impact of the timing of the acquisition of Lionmark in 2025 and BMC in 2024. See note 25.

## Notes to the consolidated financial statements

### 28 Post balance sheet events

On 27 February 2026, Breedon completed the acquisition of Booth Precast Products Limited, a quarrying and concrete business in the Republic of Ireland, for consideration of €20.2m.

The acquisition has had no financial impact on the Group's 2025 financial results. Given the proximity of the acquisition date to the date on which the financial statements were authorised, the Group is not yet able to provide certain disclosures required by IFRS 3, including the initial fair values of assets and liabilities acquired, which have not yet been ascertained. These disclosures will be presented as part of the Group's Interim Statement made up to 30 June 2026.

### 29 Prior year restatement

During the year, the Group reviewed the presentation of its cash and cash equivalent balances and associated bank overdrafts, concluding that overdraft balances, previously presented net within cash and cash equivalents, should have been reported on a gross basis in accordance with IAS 32 Financial Instruments: Presentation.

This restatement impacts only the presentation of assets and liabilities. There is no impact on previously reported revenue, profit, net assets or cash flows for any period.

The effect of the restatement on the comparative statement of financial position is summarised as follows:

- Cash and cash equivalents increased by £41.1m
- Interest-bearing loans and borrowings (within current liabilities) increased by £41.1m.

The restatement does not impact the Group's key financial metrics including net debt and measurement of covenants.

There is no impact on the current year's statement of financial position other than the ongoing gross presentation of these balances.

# Company financial statements

|                                           |      |
|-------------------------------------------|------|
| Company statement of financial position   | »202 |
| Company statement of changes in equity    | »203 |
| Notes to the Company financial statements | »204 |
| Reporting segment changes                 | »208 |
| Subsidiaries                              | »209 |

## Company statement of financial position

As at 31 December 2025

|                             | Note | 2025<br>£m   | 2024<br>£m   |
|-----------------------------|------|--------------|--------------|
| <b>Non-current assets</b>   |      |              |              |
| Fixed asset investment      | 5    | –            | –            |
| Trade and other receivables | 2    | 594.6        | 541.9        |
| <b>Current assets</b>       |      |              |              |
| Trade and other receivables | 2    | 2.6          | 14.1         |
| Cash and cash equivalents   |      | 0.1          | 0.3          |
| Total current assets        |      | 2.7          | 14.4         |
| <b>Total assets</b>         |      | <b>597.3</b> | <b>556.3</b> |
| <b>Current liabilities</b>  |      |              |              |
| Trade and other payables    | 3    | (146.2)      | (83.8)       |
| <b>Net assets</b>           |      | <b>451.1</b> | <b>472.5</b> |
| <b>Equity</b>               |      |              |              |
| Share capital               | 4    | 3.5          | 3.4          |
| Share premium               | 4    | 5.4          | 2.0          |
| Merger reserve              | 4    | 52.8         | 44.8         |
| Retained earnings           |      | 389.4        | 422.3        |
| <b>Total equity</b>         |      | <b>451.1</b> | <b>472.5</b> |

The Company has elected to take the exemption under section 408(3) of the Companies Act 2006 from presenting the parent company income statement. The result for the Company for 2025 was a profit of £13.6m (2024: profit of £9.3m).

The Company financial statements on pages 202 to 208 were approved by the Board on 11 March 2026 and signed on its behalf by:

**Rob Wood**

Chief Executive Officer

Company number: 14739556

**James Brotherton**

Chief Financial Officer

## Company statement of changes in equity

For the year ended 31 December 2025

|                                    | Note | Share capital<br>£m | Share premium<br>£m | Merger reserve<br>£m | Retained earnings<br>£m | Total equity<br>£m |
|------------------------------------|------|---------------------|---------------------|----------------------|-------------------------|--------------------|
| Balance at 1 January 2024          |      | 3.4                 | 0.7                 | 32.6                 | 457.8                   | 494.5              |
| Profit for the period              |      | -                   | -                   | -                    | 9.3                     | 9.3                |
| Share-based payments               | 6    | -                   | -                   | -                    | 3.3                     | 3.3                |
| Dividends paid                     |      | -                   | -                   | -                    | (48.1)                  | (48.1)             |
| Shares issued                      | 4    | -                   | 1.3                 | 12.2                 | -                       | 13.5               |
| <b>Balance at 31 December 2024</b> |      | <b>3.4</b>          | <b>2.0</b>          | <b>44.8</b>          | <b>422.3</b>            | <b>472.5</b>       |
| <b>Profit for the period</b>       |      | <b>-</b>            | <b>-</b>            | <b>-</b>             | <b>13.6</b>             | <b>13.6</b>        |
| <b>Share-based payments</b>        | 6    | <b>-</b>            | <b>-</b>            | <b>-</b>             | <b>4.6</b>              | <b>4.6</b>         |
| <b>Dividends paid</b>              |      | <b>-</b>            | <b>-</b>            | <b>-</b>             | <b>(51.1)</b>           | <b>(51.1)</b>      |
| <b>Shares issued</b>               | 4    | <b>0.1</b>          | <b>3.4</b>          | <b>8.0</b>           | <b>-</b>                | <b>11.5</b>        |
| <b>Balance at 31 December 2025</b> |      | <b>3.5</b>          | <b>5.4</b>          | <b>52.8</b>          | <b>389.4</b>            | <b>451.1</b>       |

## Notes to the Company financial statements

### 1 Accounting policies

#### Basis of accounting

Breedon Group plc ('the Company') is a public limited company, limited by shares, which is listed on the London Stock Exchange and incorporated and domiciled in England and Wales. The registered number is 14739556 and the address of the registered office is Pinnacle House, Breedon Quarry, Breedon on the Hill, Derby, DE73 8AP, England.

These financial statements present information about the Company as an individual undertaking and not about its Group.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK ('Adopted IFRS') but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 Reduced Disclosure Framework disclosure exemptions have been taken.

The financial statements are presented in Sterling, which is the Company's functional currency, and are shown in £millions to one decimal place.

The Company is included within the consolidated financial statements of Breedon Group plc. The consolidated

financial statements of Breedon Group plc are prepared in accordance with IFRS and are publicly available. In these financial statements, the Company is considered to be a qualifying entity and has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- disclosures in respect of the compensation of key management personnel;
- disclosures in respect of transactions with wholly owned subsidiaries; and
- disclosures in respect of capital management.

As the consolidated financial statements of Breedon Group plc include the equivalent disclosures, the Company has taken the exemptions available under FRS 101 in respect of the following disclosures:

- IFRS 2 Share-based Payment in respect of group-settled share-based payments; and
- certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments: Disclosures.

The Company intends to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

#### Going Concern

The Company financial statements are prepared on a going concern basis as set out in note 1 of the consolidated financial statements of Breedon Group plc.

#### Company result for the period

In accordance with the exemption permitted under section 408 of the Companies Act 2006, the Company has elected not to present its own income statement or statement of comprehensive income.

#### Accounting policies

The accounting policies set out in the notes below have been applied in preparing the financial statements for the period ended 31 December 2025 and in the prior period.

#### Newly effective standards

There were no newly effective standards in the period which had a material impact on the Company.

IFRS 18 Presentation and Disclosure in Financial Statements is effective for periods beginning on or after 1 January 2027. IFRS 18 is expected to impact the presentation and disclosure of information in the Company's financial statements, but is not expected to have a material impact on recognition or measurement.

#### Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is provided on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts 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 reporting 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 temporary difference can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### Fixed asset investments

Fixed asset investments are stated at cost less provision for any diminution in value.

#### Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. The principal financial assets and liabilities of the Company are as follows:

## Notes to the Company financial statements

### 1 Accounting policies continued

#### Trade receivables and payables

Trade receivables and trade payables are initially recognised at fair value and are then stated at amortised cost.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, including bank deposits with original maturities of three months or less.

#### Impairment of financial assets

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12-month ECLs.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

#### Share-based payments

Equity-settled share-based payments to directors, key employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value is recharged to the subsidiary entities which receive services from those individuals who have been granted awards on a straight-line basis over the period that the employees become unconditionally entitled to the awards.

#### Financial risk management

The Company's financial risk is managed as part of the Group's strategy and policies as discussed in note 19 to the Group consolidated financial statements.

#### Estimates and judgements

No significant estimates or judgements have been used by the directors in preparing these financial statements.

#### Directors' remuneration and staff numbers

The Company has no employees other than the directors, who did not receive any remuneration for their services directly from the Company during the current period. See note 5 in the Group consolidated financial statements for Key Management Personnel compensation.

#### External auditor's remuneration

The remuneration paid to the external auditor in relation to the audit of the Company is disclosed in note 4 to the Group consolidated financial statements. The fees for the audit of the Company's financial statements are borne by a subsidiary of the Company and are not recharged.

## Notes to the Company financial statements

### 2 Trade and other receivables

|                                    | 2025<br>£m | 2024<br>£m |
|------------------------------------|------------|------------|
| Amounts owed by Group undertakings | 596.7      | 554.9      |
| Prepayments and accrued income     | 0.5        | 0.2        |
| Deferred tax                       | -          | 0.9        |
|                                    | 597.2      | 556.0      |
|                                    | 2025<br>£m | 2024<br>£m |
| <b>Analysed as</b>                 |            |            |
| Current                            | 2.6        | 14.1       |
| Non-current                        | 594.6      | 541.9      |
|                                    | 597.2      | 556.0      |

Included within amounts owed by Group undertakings is £594.6m (2024: £541.9m) due after more than one year. The loan interest is charged at a rate of SONIA plus a market rate margin. All other amounts owed by Group undertakings are unsecured, interest free, and due on demand.

The amounts owed by Group undertakings are financial assets and are held at amortised cost.

Deferred tax assets are recognised in relation to share-based payment arrangements. The charge for the current period has been recognised wholly within the income statement.

### 3 Trade and other payables

|                                    | 2025<br>£m | 2024<br>£m |
|------------------------------------|------------|------------|
| Amounts owed to Group undertakings | 133.2      | 74.2       |
| Accruals and other payables        | 1.5        | 1.4        |
| Corporation tax                    | 11.5       | 8.2        |
|                                    | 146.2      | 83.8       |

Amounts owed to Group undertakings are interest free and repayable on demand. All accruals and other payables are financial liabilities and are held at amortised cost.

£9.4m (2024: £8.2m) of the corporation tax liability is owed to a Group undertaking for the surrender of Group relief losses.

### 4 Capital and reserves

#### Share capital and premium

|                                                                          | Number<br>(millions) | Share<br>capital<br>£m | Share<br>premium<br>£m |
|--------------------------------------------------------------------------|----------------------|------------------------|------------------------|
| <b>Allotted, called-up and fully paid ordinary shares of £0.01 each:</b> |                      |                        |                        |
| At 31 December 2023                                                      | 339.7                | 3.4                    | 0.7                    |
| Exercise of savings-related share options                                | 0.5                  | -                      | 1.3                    |
| Issued on acquisition of BMC                                             | 3.2                  | -                      | -                      |
| Vesting of Performance Share Plan awards                                 | 0.3                  | -                      | -                      |
| <b>At 31 December 2024</b>                                               | <b>343.7</b>         | <b>3.4</b>             | <b>2.0</b>             |
| Exercise of savings-related share options                                | 0.3                  | -                      | 1.2                    |
| Issued on acquisition of Lionmark                                        | 2.1                  | 0.1                    | 2.2                    |
| Vesting of Performance Share Plan awards                                 | 0.5                  | -                      | -                      |
| <b>At 31 December 2025</b>                                               | <b>346.6</b>         | <b>3.5</b>             | <b>5.4</b>             |

## Notes to the Company financial statements

### 4 Capital and reserves continued

#### Movements during 2025:

The Company issued 0.3 million shares for cash raising £1.2m in connection with the exercise of certain savings-related share options, with £1.2m recognised as share premium. The Company issued 0.5 million shares for non-cash consideration of 1.0p per share, satisfied through the capitalisation of retained earnings, in connection with the vesting of awards under the Performance Share Plans.

During 2025, 2.1 million ordinary shares were issued to the vendor of Lionmark with £0.1m recognised within share capital and £2.2m recognised as share premium.

#### Movements during 2024:

The Company issued 0.5 million shares for cash raising £1.3m in connection with the exercise of certain savings-related share options, with £1.3m recognised as share premium. The Company issued 0.3 million shares for non-cash consideration of 1.0p per share, satisfied through the capitalisation of retained earnings, in connection with the vesting of awards under the Performance Share Plans.

#### Merger reserve

During 2025, 2.1 million ordinary shares were issued to the vendor of Lionmark, with £8.0m being recognised as merger reserve. During 2024, 3.2 million ordinary shares were issued to the vendor of BMC, with £12.2m being recognised as merger reserve.

### 5 Investments

There have been no movements in investments during the period. The Company holds an investment of £1, comprising 100% of the ordinary share capital of Breedon Midco Limited, a holding company within the Group registered in England and Wales with a company number of 14777332 and a registered address at Pinnacle House, Breedon Quarry, Breedon on the Hill, Derby, DE73 8AP, England.

A full list of subsidiaries is presented on pages 209 to 211 of the Breedon Group plc Annual Report.

### 6 Share-based payments

Details of the Company's share-based payments are disclosed within note 18 to the Group consolidated financial statements.

### 7 Contingent liabilities

The Company acts as a guarantor to the Group's long-term debt facilities, which comprise a £400m multi-currency RCF and USPP loan notes (£170m denominated in Sterling and €189m denominated in Euro). These have been accounted for as Financial Guarantee Contracts in line with IFRS 9 Financial Instruments.

For the year ended 31 December 2025, the subsidiary companies listed below are exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of section 479A. As a result, the Company guarantees all outstanding liabilities to which the subsidiary companies are subject.

| Name of undertaking                   | Country of incorporation or registration | Company registration number |
|---------------------------------------|------------------------------------------|-----------------------------|
| Alliance Recycling (UK) Ltd           | England and Wales                        | 9418245                     |
| Alpha Resource Management Ltd         | Northern Ireland                         | NI059764                    |
| Breedon Bow Highways Limited          | England and Wales                        | 09804033                    |
| Breedon Facilities Management Limited | Scotland                                 | SC205744                    |
| Breedon Investments UK Limited        | England and Wales                        | 15532326                    |
| Breedon Midco Limited                 | England and Wales                        | 14777332                    |
| Breedon Whitemountain Ltd             | Scotland                                 | SC521760                    |
| Lagan Asphalt (UK) Limited            | Northern Ireland                         | NI626706                    |
| Lagan Asphalt Group Limited           | Northern Ireland                         | NI073968                    |
| Minster Surfacing Limited             | England and Wales                        | 4084446                     |
| Robinson Quarry Masters Limited       | Northern Ireland                         | NI009269                    |
| Tor Multimix Limited                  | England and Wales                        | 04590335                    |

## Reporting segment changes

### Segmental reporting<sup>1</sup>

| Income statement (Restated)                       | 2024           |                                | 2023           |                                | 2022           |                                | 2021           |                                | 2020         |                                |
|---------------------------------------------------|----------------|--------------------------------|----------------|--------------------------------|----------------|--------------------------------|----------------|--------------------------------|--------------|--------------------------------|
| £m                                                | Revenue        | Underlying EBITDA <sup>2</sup> | Revenue        | Underlying EBITDA <sup>2</sup> | Revenue        | Underlying EBITDA <sup>2</sup> | Revenue        | Underlying EBITDA <sup>2</sup> | Revenue      | Underlying EBITDA <sup>2</sup> |
| Great Britain                                     | 1,155.8        | 192.7                          | 1,200.3        | 201.4                          | 1,122.0        | 192.1                          | 965.3          | 174.9                          | 703.6        | 120.4                          |
| Ireland                                           | 297.6          | 68.9                           | 302.1          | 57.6                           | 286.9          | 58.0                           | 277.7          | 52.4                           | 235.9        | 39.5                           |
| United States                                     | 132.5          | 24.8                           | -              | -                              | -              | -                              | -              | -                              | -            | -                              |
| Central administration                            | -              | (16.5)                         | -              | (16.7)                         | -              | (15.1)                         | -              | (13.3)                         | -            | (10.7)                         |
| Eliminations                                      | (9.6)          | -                              | (14.9)         | -                              | (12.6)         | -                              | (10.5)         | -                              | (10.8)       | -                              |
| <b>Total</b>                                      | <b>1,576.3</b> | <b>269.9</b>                   | <b>1,487.5</b> | <b>242.3</b>                   | <b>1,396.3</b> | <b>235.0</b>                   | <b>1,232.5</b> | <b>214.0</b>                   | <b>928.7</b> | <b>149.2</b>                   |
| Underlying EBITDA                                 |                | 269.9                          |                | 242.3                          |                | 235.0                          |                | 214.0                          |              | 149.2                          |
| Depreciation and mineral depletion                |                | (99.7)                         |                | (88.7)                         |                | (83.5)                         |                | (83.3)                         |              | (74.4)                         |
| <b>Underlying Group operating profit</b>          |                | <b>170.2</b>                   |                | <b>153.6</b>                   |                | <b>151.5</b>                   |                | <b>130.7</b>                   |              | <b>74.8</b>                    |
| - Great Britain                                   |                | 114.7                          |                | 124.7                          |                | 118.7                          |                | 102.6                          |              | 57.9                           |
| - Ireland                                         |                | 55.9                           |                | 45.9                           |                | 48.1                           |                | 41.5                           |              | 27.8                           |
| - United States                                   |                | 16.4                           |                | -                              |                | -                              |                | -                              |              | -                              |
| - Central administration                          |                | (16.8)                         |                | (17.0)                         |                | (15.3)                         |                | (13.4)                         |              | (10.9)                         |
| <b>Underlying Group operating profit</b>          |                | <b>170.2</b>                   |                | <b>153.6</b>                   |                | <b>151.5</b>                   |                | <b>130.7</b>                   |              | <b>74.8</b>                    |
| Share of profit from associate and joint ventures |                | 3.5                            |                | 2.6                            |                | 3.5                            |                | 2.9                            |              | 1.7                            |
| <b>Underlying profit from operations</b>          |                | <b>173.7</b>                   |                | <b>156.2</b>                   |                | <b>155.0</b>                   |                | <b>133.6</b>                   |              | <b>76.5</b>                    |
| Non-underlying items                              |                | (24.1)                         |                | (10.5)                         |                | (7.0)                          |                | (6.2)                          |              | (14.9)                         |
| <b>Profit from operations</b>                     |                | <b>149.6</b>                   |                | <b>145.7</b>                   |                | <b>148.0</b>                   |                | <b>127.4</b>                   |              | <b>61.6</b>                    |

1 Restated to reflect the changes from a divisional management structure to a country-based management structure in 2025. Figures are unaudited.

2 Underlying EBITDA is earnings before interest, tax, depreciation and mineral depletion, amortisation, non-underlying items and before our share of profit from associate and joint ventures.

## Subsidiaries

As at 31 December 2025, the companies listed below and on the following pages are indirectly held by Breedon Group plc except Breedon Midco Limited which is 100% directly owned.

| Company name                          | Registered address | Proportion held directly by the parent | Proportion held by the Group | Company name                                | Registered address | Proportion held directly by the parent | Proportion held by the Group | Company name                                | Registered address | Proportion held directly by the parent | Proportion held by the Group |
|---------------------------------------|--------------------|----------------------------------------|------------------------------|---------------------------------------------|--------------------|----------------------------------------|------------------------------|---------------------------------------------|--------------------|----------------------------------------|------------------------------|
| Aggregate Holdings, LLC               | 15                 | 100                                    | 100                          | BMC Stone, LLC                              | 15                 | 100                                    | 100                          | BRH Enterprises, LLC                        | 15                 | 100                                    | 100                          |
| ALBA Traffic Management Limited       | 3                  | 75                                     | 75                           | Boyne Bay Lime Company Ltd, The             | 3                  | 100                                    | 100                          | BRM, LLC                                    | 15                 | 100                                    | 100                          |
| Alfred McAlpine Slate Penrhyn Limited | 1                  | 100                                    | 100                          | Breckenridge Jefferson County, Inc          | 15                 | 100                                    | 100                          | Broome Bros. (Doncaster) Limited            | 1                  | 100                                    | 100                          |
| Alliance Recycling (UK) Ltd           | 1                  | 80                                     | 80                           | Breckenridge of Illinois, LLC               | 15                 | 100                                    | 100                          | City Asphalt Limited                        | 8                  | 100                                    | 80                           |
| Alpha Resource Management Ltd         | 2                  | 100                                    | 100                          | Breckenridge O'Fallon, Inc                  | 15                 | 100                                    | 100                          | City Mini Mix (Notts) Limited               | 1                  | 100                                    | 100                          |
| Barney Precast Limited                | 1                  | 100                                    | 99.4                         | Breckenridge Material Company               | 15                 | 100                                    | 100                          | Clearwell Quarries Limited                  | 1                  | 100                                    | 99.4                         |
| Berwyn Granite Quarries Limited       | 1                  | 100                                    | 100                          | Breedon Aggregates SW Limited               | 3                  | 100                                    | 100                          | Cocklebank Conservations Limited            | 1                  | 100                                    | 100                          |
| Bi-State Emulsions LLC                | 15                 | 100                                    | 100                          | Breedon Bow Highways Limited                | 1                  | 100                                    | 100                          | Cwmorthin Slate Quarry 1994 Company Limited | 1                  | 100                                    | 100                          |
| Blinkbonny Quarry (Borders) Limited   | 3                  | 100                                    | 100                          | Breedon Brick Limited                       | 5                  | 100                                    | 100                          | Deckal Limited                              | 7                  | 100                                    | 100                          |
| BMC Development of Caseyville, LLC    | 17                 | 100                                    | 100                          | Breedon Cement Ireland Limited              | 5                  | 100                                    | 100                          | Eastern Missouri Concrete, LLC              | 15                 | 100                                    | 100                          |
| BMC Development of Columbia, LLC      | 17                 | 100                                    | 100                          | Breedon Cement Limited                      | 1                  | 100                                    | 100                          | Eco-Asphalt Supplies Limited                | 1                  | 100                                    | 100                          |
| BMC Development of Defiance, LLC      | 15                 | 100                                    | 100                          | Breedon Employee Services Ireland Limited   | 4                  | 100                                    | 100                          | EJCC Limited                                | 1                  | 100                                    | 100                          |
| BMC Development of Hamel, LLC         | 17                 | 100                                    | 100                          | Breedon Facilities Management Limited       | 3                  | 100                                    | 100                          | Enneurope Holdings Limited                  | 1                  | 100                                    | 100                          |
| BMC Development of Illinois, LLC      | 15                 | 100                                    | 100                          | Breedon Group Limited                       | 6                  | 100                                    | 100                          | Enneurope Limited                           | 1                  | 100                                    | 100                          |
| BMC Development of Lebanon, LLC       | 17                 | 100                                    | 100                          | Breedon Group Services Limited              | 1                  | 100                                    | 100                          | Flemings' Fireclays Limited                 | 4                  | 100                                    | 100                          |
| BMC Development of Missouri, Inc      | 15                 | 100                                    | 100                          | Breedon Holdings (Jersey) Limited           | 6                  | 100                                    | 100                          | G&T Investing, LLC                          | 15                 | 100                                    | 100                          |
| BMC Development of Warrenton, LLC     | 15                 | 100                                    | 100                          | Breedon Holdings Limited                    | 1                  | 100                                    | 100                          | Glencarne Bricks Limited                    | 4                  | 100                                    | 100                          |
| BMC Development of Wright City, LLC   | 15                 | 100                                    | 100                          | Breedon Investments UK Limited              | 1                  | 100                                    | 100                          | Glenfarne Clayware Limited                  | 4                  | 100                                    | 100                          |
| BMC Development, LLC                  | 15                 | 100                                    | 100                          | Breedon Investments USA Inc                 | 9                  | 100                                    | 100                          | Greenshine                                  | 7                  | 100                                    | 100                          |
| BMC Enterprises, Inc                  | 15                 | 100                                    | 100                          | Breedon Materials Limited                   | 4                  | 100                                    | 100                          | Hart Aggregates Limited                     | 1                  | 100                                    | 100                          |
| BMC Hauling, Inc                      | 15                 | 100                                    | 100                          | Breedon Midco Limited                       | 1                  | 100                                    | 100                          | Hope Construction Products Limited          | 1                  | 100                                    | 100                          |
| BMC Jefferson, LLC                    | 15                 | 100                                    | 100                          | Breedon Northern Limited                    | 3                  | 100                                    | 100                          | Hope Dormant 11 Limited                     | 1                  | 100                                    | 100                          |
| BMC Leasing of Illinois, LLC          | 15                 | 100                                    | 100                          | Breedon Properties Limited                  | 1                  | 100                                    | 100                          | Hope Ready Mixed Concrete Limited           | 1                  | 100                                    | 100                          |
| BMC Leasing of Missouri, Inc          | 15                 | 100                                    | 100                          | Breedon Scotland Limited                    | 3                  | 100                                    | 100                          | Humberside Aggregates Limited               | 1                  | 100                                    | 100                          |
| BMC Leasing, LLC                      | 15                 | 100                                    | 100                          | Breedon Southern Limited                    | 1                  | 100                                    | 100                          | Huntsman's Quarries Limited                 | 1                  | 100                                    | 100                          |
| BMC Maintenance, LLC                  | 15                 | 100                                    | 100                          | Breedon Surfacing Solutions Ireland Limited | 4                  | 100                                    | 100                          | Indian Creek Materials, LLC                 | 15                 | 100                                    | 100                          |
| BMC Management, Inc                   | 15                 | 100                                    | 100                          | Breedon Surfacing Solutions Limited         | 1                  | 100                                    | 100                          | Innovative Roadway Solutions, LLC           | 15                 | 100                                    | 100                          |
| BMC Missouri Realty, LLC              | 15                 | 100                                    | 100                          | Breedon Trading Limited                     | 1                  | 100                                    | 100                          | Interstate Testing Services                 | 15                 | 100                                    | 100                          |
| BMC Sand, LLC                         | 15                 | 100                                    | 100                          | Breedon Whitemountain Ltd                   | 3                  | 100                                    | 100                          | Kettering Bituminous Products Limited       | 21                 | 100                                    | 80                           |
| BMC St Charles, LLC                   | 15                 | 100                                    | 100                          |                                             |                    |                                        |                              |                                             |                    |                                        |                              |

## Subsidiaries

| Company name                             | Registered address | Proportion held directly by the parent | Proportion held by the Group |
|------------------------------------------|--------------------|----------------------------------------|------------------------------|
| Kilcarn Limited                          | 2                  | 100                                    | 100                          |
| Kingscourt Bricks Limited                | 2                  | 100                                    | 100                          |
| Kingscourt Clay Products Limited         | 2                  | 100                                    | 100                          |
| Lagan Airports Limited                   | 2                  | 100                                    | 100                          |
| Lagan Asphalt (UK) Ltd                   | 2                  | 100                                    | 100                          |
| Lagan Asphalt Group Limited              | 2                  | 100                                    | 100                          |
| Lagan Asphalt Limited                    | 4                  | 100                                    | 100                          |
| Lagan Bitumen Limited                    | 1                  | 100                                    | 100                          |
| Lagan Cement Limited                     | 2                  | 100                                    | 100                          |
| Lagan Cement Products Limited            | 2                  | 100                                    | 100                          |
| Lagan Group (Holdings) Limited           | 7                  | 100                                    | 100                          |
| Lagan Group Limited                      | 7                  | 100                                    | 100                          |
| Lagan Hibernian Limited                  | 4                  | 100                                    | 100                          |
| Lagan Materials Limited                  | 4                  | 100                                    | 100                          |
| Lagan Whitemountain Limited              | 2                  | 100                                    | 100                          |
| Lionmark Construction Companies LLC      | 15                 | 100                                    | 100                          |
| Lionmark Management Services, Inc        | 15                 | 100                                    | 100                          |
| Marwyn Materials (UK) Limited            | 1                  | 100                                    | 100                          |
| MC Materials, LLC                        | 15                 | 100                                    | 100                          |
| Midwest Aggregates Limited               | 5                  | 100                                    | 100                          |
| Minster Surfacing Limited                | 1                  | 80                                     | 80                           |
| Mulholland Bros (Brick and Sand) Limited | 2                  | 99.9                                   | 99.9                         |
| Natural Building Materials Limited       | 1                  | 99.4                                   | 99.4                         |
| Nith Aggregates Limited                  | 1                  | 100                                    | 100                          |
| Nottingham Ready Mix Limited             | 1                  | 100                                    | 100                          |
| Ozark Building Materials, LLC            | 15                 | 100                                    | 100                          |
| Pace Construction Company LLC            | 15                 | 100                                    | 100                          |
| Phoenix Surfacing Limited                | 21                 | 80                                     | 80                           |
| Pile's Concrete, LLC                     | 16                 | 100                                    | 100                          |

| Company name                                       | Registered address | Proportion held directly by the parent | Proportion held by the Group |
|----------------------------------------------------|--------------------|----------------------------------------|------------------------------|
| Pinnacle Construction Materials Limited            | 1                  | 100                                    | 100                          |
| Politte Ready Mix, LLC                             | 15                 | 100                                    | 100                          |
| Pro Mini Mix Concrete, Mortars and Screeds Limited | 1                  | 100                                    | 100                          |
| Raineri Building Materials, LLC                    | 15                 | 100                                    | 100                          |
| RMC, LLC                                           | 15                 | 100                                    | 100                          |
| Roadmix Limited                                    | 2                  | 100                                    | 100                          |
| Roadway Civil Engineering & Surfacing Ltd          | 1                  | 100                                    | 100                          |
| Robinson Quarry Masters Limited                    | 2                  | 100                                    | 100                          |
| RT Mycock & Sons Limited                           | 1                  | 100                                    | 100                          |
| SCP Holdings, LLC                                  | 15                 | 100                                    | 100                          |
| Severn Sands (Holdings) Limited                    | 1                  | 100                                    | 100                          |
| Severn Sands Limited                               | 1                  | 100                                    | 100                          |
| Sherburn Cement Limited                            | 1                  | 100                                    | 100                          |
| Sherburn Minerals Limited                          | 1                  | 100                                    | 100                          |
| Sherburn Sand Company Limited                      | 1                  | 100                                    | 100                          |
| Sherburn Stone Company Limited                     | 1                  | 100                                    | 100                          |
| SMRM Holdings, LLC                                 | 15                 | 100                                    | 100                          |
| Staffs Concrete Limited                            | 1                  | 100                                    | 100                          |
| Stewart Concrete Products, LLC                     | 15                 | 100                                    | 100                          |
| The Cwt-Y-Bugail Slate Quarries Limited            | 1                  | 100                                    | 100                          |
| The Waveney Asphalt Company Limited                | 1                  | 100                                    | 100                          |
| Thomas Bow Limited                                 | 8                  | 80                                     | 80                           |
| Tipperary Asphalt Limited                          | 4                  | 100                                    | 100                          |
| Titan Truck & Equipment Company, LLC               | 15                 | 100                                    | 100                          |
| Tor Multimix Limited                               | 1                  | 100                                    | 100                          |
| UK Stone Direct Limited                            | 1                  | 100                                    | 100                          |

| Company name                     | Registered address | Proportion held directly by the parent | Proportion held by the Group |
|----------------------------------|--------------------|----------------------------------------|------------------------------|
| Welsh Slate Limited              | 1                  | 100                                    | 100                          |
| West Plains Bridge & Grading LLC | 15                 | 100                                    | 100                          |
| Whitemountain Quarries Ltd       | 2                  | 100                                    | 100                          |

## Associate and joint ventures

| Company name                                   | Registered address | Proportion held directly by the parent | Proportion held by the Group |
|------------------------------------------------|--------------------|----------------------------------------|------------------------------|
| BEAR Scotland Limited                          | 14                 | 37.5                                   | 37.5                         |
| Breedon Bowen Limited                          | 1                  | 50                                     | 50                           |
| Breedon Colas Limited                          | 1                  | 50                                     | 50                           |
| Capital Concrete Limited                       | 10                 | 43                                     | 43                           |
| Fruitland Asphalt LLC                          | 22                 | 30                                     | 30                           |
| H.V. Bowen & Sons (Quarry) Ltd                 | 1                  | 100                                    | 50                           |
| H.V. Bowen & Sons (Transport) Limited          | 1                  | 100                                    | 50                           |
| Kilwex Lagan Joint Venture Limited             | 23                 | 50                                     | 50                           |
| Kingscourt Country Manor Brick Company Limited | 11                 | 50                                     | 50                           |
| Lough Neagh Sand Traders Limited               | 20                 | 25                                     | 25                           |
| Northern Quarry Products Limited               | 12                 | 50                                     | 50                           |
| Peak Cluster Limited                           | 24                 | 14.4                                   | 14.4                         |
| Priority Lagan Joint Venture Limited           | 25                 | 50                                     | 50                           |
| PSV (UK) Ltd                                   | 1                  | 100                                    | 50                           |
| Rolla Ready Mix, LLC                           | 18                 | 50                                     | 50                           |
| RRM Real Estate Partnership                    | 19                 | 50                                     | 50                           |
| Welsh Slate Europe B.V.                        | 13                 | 50                                     | 50                           |

## Subsidiaries

### Registered office addresses

|    |                                                                                                |
|----|------------------------------------------------------------------------------------------------|
| 1  | Pinnacle House, Breedon Quarry, Breedon on the Hill, Derby, DE73 8AP, England                  |
| 2  | 5 Blackwater Road, Newtownabbey, BT36 4TZ, Northern Ireland                                    |
| 3  | Ethiebeaton Quarry, Kingennie, Monifieth, Angus, DD5 3RB, Scotland                             |
| 4  | Rosemount Business Park, Ballycoolin Road, Dublin 11, Ireland                                  |
| 5  | Killaskillen, Kinnegad, Westmeath, Ireland                                                     |
| 6  | 28 Esplanade, St Helier, JE2 3QA, Jersey                                                       |
| 7  | Bank Chambers, 15-19 Athol Street, Douglas, IM11LB, Isle of Man                                |
| 8  | Ashbow Court, 4-12 Middleton Street, Lenton, Nottingham, NG7 2AL, England                      |
| 9  | 1209 Orange Street, City of Wilmington, New Castle County, DE 19801, United States             |
| 10 | Robert Brett House, Ashford Road, Canterbury, Kent, CT4 7PP, England                           |
| 11 | Unit 26 Airways Industrial Estate, Dublin 17, Santry, D17 TH93, Ireland                        |
| 12 | Rigifa, Cove, Aberdeen, AB12 3LR, Scotland                                                     |
| 13 | Battenweg 10, 6051AD Maasbracht, The Netherlands                                               |
| 14 | BEAR House, Inveralmond Road, Inveralmond Industrial Estate, Perth, PH13TW, Scotland           |
| 15 | 406 N Main St, Ste B, Rolla, MO 65401-3154, United States                                      |
| 16 | 850 New Burton Road, Suite 201, Dover, Kent, DE 19904, United States                           |
| 17 | 600 S. 2nd St., Suite 404, Springfield, IL 62704, United States                                |
| 18 | 8112 Maryland Ave, Suite 320, Saint Louis, MO 63105, United States                             |
| 19 | County Road 3060, Rolla, MO, United States                                                     |
| 20 | Murray House, Murray Street, Belfast, Antrim, BT16DN, Northern Ireland                         |
| 21 | 12 Henson Close, Telford Way Industrial Estate, Kettering, Northamptonshire, NN16 8PZ, England |
| 22 | 12132 Highway CC, Festus, MO 63028, United States                                              |
| 23 | Pacelli House, Pacelli Road, Naas, Kildare, Ireland                                            |
| 24 | 38f Swan House, Bonds Mill, Bristol Road, Stonehouse, Gloucestershire, GL10 3RF, England       |
| 25 | 162 Clontarf Road, Dublin 3, Ireland                                                           |

## Shareholder information

### Registrar

All administrative enquiries relating to shareholdings, such as lost certificates, changes of address, change of ownership or dividend payments and requests to receive corporate documents by email should, in the first instance, be directed to the Company's Registrar, MUFG Corporate Markets (MUFG), and clearly state your registered address and, if available, your investor code, which can be found on your share certificate:

**By post:** MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

**By telephone:** 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. If you are outside the UK call +44 371664 0300. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 9.00am and 5.30pm, Monday to Friday excluding public holidays in England and Wales.

#### e-mail

shareholderenquiries@cm.mpms.mufg.com

#### website

www.eu.mpms.mufg.com

#### Investor Centre

www.breedonshares.com

You will need to log into your Investor Centre account or register if you have not previously done so. Once you have setup your account you will need to add your shareholding by clicking 'Add Holding' in the 'Portfolio' section and following the on-screen instructions. You will require your Investor Code (IVC) to add your shareholding. You can find your IVC on your share certificate or by contacting MUFG.

Investor Centre is a free app for smartphone and tablet provided by MUFG Corporate Markets. It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below.

#### Investor Centre



➤ Scan the QR code or click here to go to the Investor Centre

### Group website and electronic communications

The 2025 Annual Report and other information about the Company are available on its website. The Company operates a service whereby you can register to receive notice by email of all announcements released by the Company.

The Company's share price (15-minute delay) is displayed on the Company's website.

Shareholder documents are now, following changes in company law and shareholder approval, primarily made available via the Company's website, unless a shareholder has requested to continue to receive hard copies of such documents. If a shareholder has registered their up-to-date email address, an email will be sent to that address when such documents are available on the website.

If shareholders have not provided an up-to-date email address and have not elected to receive documents in hard copy, a letter will be posted to their address that is recorded on the Register of Members notifying them that the documents are available on the website. Shareholders can continue to receive hard copies of shareholder documents by contacting the Registrar.

If you have not already registered your current email address, you can do so via the Investor Centre.

Investors who hold their shares via an intermediary should contact the intermediary regarding the receipt of shareholder documents from the Company.

The Group has a wide range of information that is available on the website including:

- financial information – annual reports and half year results, financial news and events;
- share price information;
- shareholder services information;
- dividend information; and
- press releases – both current and historical.

## Shareholder information

### Multiple accounts

Shareholders who receive more than one copy of communications from the Company may have more than one account in their name on the Company's Register of Members. Any shareholder wishing to amalgamate such holdings should write to the Registrar giving details of the accounts concerned and instructions on how they should be amalgamated.

### Dividend information

The Company pays its dividend to shareholders by electronic transfer. You will need to have a dividend mandate registered against your Breedon shareholder account by the Record Date which enables payment of the dividend straight to your bank account. Paying dividends by direct credit helps to reduce the Company's impact on the environment, provides greater benefits in terms of efficiency and cost, and safeguards the security of the payment.

Please register your bank details on the Investor Centre or contact our Registrar, MUFG Corporate Markets, on 0371 664 0300, or +44 371 664 0300 if outside the UK.

Investors who hold their shares via an intermediary should contact the intermediary regarding the receipt of dividend payments from the Company.

### Dividend reinvestment plan (UK and Channel Islands only)

MUFG provides a Dividend Reinvestment Plan (DRIP) which provides shareholders in the UK and Channel Islands with the opportunity to reinvest their dividend payments to purchase additional ordinary shares in the Company. If you choose to join the DRIP, MUFG will use the cash dividend payment to which you are entitled to acquire further ordinary shares in the Company on your behalf as soon as practicable after the dividend payment date. Terms and conditions and a brochure may be found online on the Investor Centre, where you can also join the DRIP, or contact MUFG on 0371 664 0381 (see below for call charges) or email [shares@cm.mpms.mufg.com](mailto:shares@cm.mpms.mufg.com) to request a DRIP application form.

In order to be effective for a particular dividend, any application must reach MUFG by no later than the DRIP election date specified in the financial calendar, set out at [www.breedongroup.com/dividends](http://www.breedongroup.com/dividends). Applications to join the DRIP received after that date will take effect from the next dividend payment date.

Please note that due to the minimum charge, the service may not be cost effective for all participants, and the value of shares, and any income from them, can fall as well as rise. This is not a recommendation to purchase shares and if you are in any doubt as to what action you should take you should consult an appropriately qualified professional advisor.

### Share dealing services

You can buy shares through any authorised stockbroker or bank that offers a share dealing service in the UK, or in your country of residence if outside the UK.

MUFG provides a share dealing service to private shareholders in the UK or Channel Islands.

For further information on the share dealing service provided by MUFG, or to buy and sell shares via MUFG Corporate Markets visit [www.dealing.cm.mpms.mufg.com](http://www.dealing.cm.mpms.mufg.com) or call 0371 664 0445. Calls are charged at the standard geographic rate and will vary by provider. Lines are open between 8.00am and 4.30pm, Monday to Friday excluding public holidays in England and Wales.

This is not a recommendation to buy and sell shares and this service may not be suitable for all shareholders. The price of shares can go down as well as up and you are not guaranteed to get back the amount you originally invested. Terms and conditions apply. MUFG Corporate Markets is a division of MUFG Pension & Market Services which is authorised and regulated by the Financial Conduct Authority. This service is only available to private shareholders resident in the United Kingdom, the Channel Islands or the Isle of Man.

MUFG Corporate Markets is a trading name of MUFG Corporate Markets (UK) Limited. Share registration and associated services are provided by MUFG Corporate Markets (UK) Limited (registered in England and Wales, No. 2605568). Regulated services are provided by MUFG Corporate Markets Trustees (UK) Limited (registered in England and Wales, No. 2729260), which is authorised and regulated by the Financial Conduct Authority.

The registered office of each of these companies is MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

## Shareholder information

### Unsolicited mail, investment advice and fraud

The Company is obliged by law to make its share register publicly available and, as a consequence, some shareholders may receive unsolicited mail. In addition, many companies have become aware that their shareholders have received unsolicited phone calls or correspondence, typically from overseas 'brokers', concerning investment matters.

These callers can be very persistent and extremely persuasive and their activities have resulted in considerable losses for some investors. It is not just the novice investor that has been deceived in this way; many victims have been successfully investing for several years. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

Please keep in mind that firms authorised by the Financial Conduct Authority (FCA) are unlikely to contact you out of the blue with an offer to buy or sell shares.

If you receive any unsolicited mail or investment advice:

- Make sure you get the correct name of the person and organisation.
- Check the Financial Services Register at [www.fca.org.uk](http://www.fca.org.uk).
- Use the details on the Financial Services Register to contact the firm.
- Call the FCA Consumer Helpline on 0800 111 6768 if there are no contact details on the Register or you are told they are out of date.
- Beware of fraudsters claiming to be from an authorised firm, copying its website or giving you false contact details.
- Search the list of unauthorised firms and individuals to avoid doing business with at [www.fca.org.uk/scams](http://www.fca.org.uk/scams).
- Report a share scam by telling the FCA using the share fraud reporting form in the Consumers section of the FCA website.
- If the unsolicited phone calls persist, hang up.

- If you wish to limit the number of unsolicited calls you receive, contact the Telephone Preference Service (TPS) at [www.tpsonline.org.uk](http://www.tpsonline.org.uk) and follow the link, or from your mobile phone register your mobile number, free of charge, by texting 'TPS' together with your email address to 85095.
- If you wish to limit the amount of unsolicited mail you receive, contact the Mailing Preference Service on 020 7291 3310 or visit the website at [www.mpsonline.org.uk](http://www.mpsonline.org.uk).

If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme. If you have already paid money to share fraudsters, you should contact Action Fraud on 0300 123 2040 or report online at [www.actionfraud.police.uk/reporting-fraud-and-cyber-crime](http://www.actionfraud.police.uk/reporting-fraud-and-cyber-crime).

### Electronic voting

Shareholders can submit proxies for the 2025 AGM electronically by logging on to the Investor Centre. Electronic proxy appointments must be received by the Company's Registrar no later than 2.00pm on Monday 27 April 2026 (or not less than 48 hours before the time fixed for any adjourned meeting).

### Shareholder communication

E: [shareholderenquiries@cm.mpm.com](mailto:shareholderenquiries@cm.mpm.com)  
mufg.com

T: 0371 664 0300

Calls are charged at the standard geographic rate and will vary by provider. If you are outside the UK call +44 371 664 0300. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 9.00am and 5.30pm, Monday to Friday excluding public holidays in England and Wales.

## Glossary

### Significant exchange rates

|                    | Average<br>rate 2025 | Year-end<br>rate 2025 | Average<br>rate 2024 | Year-end<br>rate 2024 |
|--------------------|----------------------|-----------------------|----------------------|-----------------------|
| Sterling/Euro      | 1.17                 | 1.15                  | 1.18                 | 1.21                  |
| Sterling/US Dollar | 1.32                 | 1.35                  | 1.29                 | 1.26                  |

The following definitions apply throughout this Annual Report, unless the context requires otherwise.

|                   |                                                                                                                                    |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------|
| AGM               | Annual General Meeting of the Company                                                                                              |
| AI                | artificial intelligence                                                                                                            |
| AIM               | Alternative Investment Market of the London Stock Exchange                                                                         |
| ARM               | alternative raw material                                                                                                           |
| BAP               | Biodiversity Action Plan                                                                                                           |
| BEAR Scotland     | BEAR Scotland Limited                                                                                                              |
| BMC               | BMC Enterprises, Inc.                                                                                                              |
| Booth             | Booth Precast Products Limited                                                                                                     |
| bps               | basis points                                                                                                                       |
| Breedon           | Breedon Group plc                                                                                                                  |
| CAGR              | Compound annual growth rate                                                                                                        |
| CBAM              | Carbon Border Adjustment Mechanism                                                                                                 |
| CCS               | carbon capture and storage                                                                                                         |
| CEM II            | Portland composite cement; comprising Portland cement and up to 35% of certain other single constituents                           |
| CEO               | Chief Executive Officer                                                                                                            |
| CFO               | Chief Financial Officer                                                                                                            |
| CGU               | Cash-Generating Unit                                                                                                               |
| CO <sub>2</sub> e | carbon dioxide equivalent                                                                                                          |
| Covenant Leverage | Leverage as defined by the Group's banking facilities. This excludes the impact of IFRS 16 and includes the proforma impact of M&A |
| CPA               | Construction Products Association                                                                                                  |
| CPD               | Continuing Professional Development                                                                                                |
| DMA               | Double Materiality Assessment                                                                                                      |
| DNED              | Designated Non-executive Director                                                                                                  |
| division          | One of the Group's three operating segments: GB, Ireland and US                                                                    |
| DRIP              | Dividend Reinvestment Plan                                                                                                         |

|                  |                                                                                              |
|------------------|----------------------------------------------------------------------------------------------|
| DSBP             | Deferred Share Bonus Plan                                                                    |
| DTR              | Disclosure Guidance and Transparency Rules                                                   |
| EBIT             | Earnings before interest and tax, which equates to profit from operations                    |
| EBITDA           | Earnings before interest, tax, depreciation and amortisation                                 |
| EPD              | Environmental Product Declaration                                                            |
| EPS              | Earnings per share                                                                           |
| EQA              | external quality assessment                                                                  |
| ESG              | Environment, Social and Governance                                                           |
| ESPP             | (US) Employee Stock Purchase Plan                                                            |
| ETS              | Emissions Trading Scheme                                                                     |
| EU               | European Union                                                                               |
| EURIBOR          | Euro Inter-bank Offered Rate                                                                 |
| FCA              | Financial Conduct Authority                                                                  |
| FCF              | Free Cash Flow                                                                               |
| FEED             | front-end engineering and design                                                             |
| FRC              | Financial Reporting Council                                                                  |
| GAAP             | Generally Accepted Accounting Principles                                                     |
| GB               | Great Britain                                                                                |
| GCCA             | Global Cement and Concrete Association                                                       |
| GHG              | greenhouse gas (emissions)                                                                   |
| Group            | Breedon and its subsidiary companies                                                         |
| HVO              | hydrotreated vegetable oil                                                                   |
| HR               | Human Resources                                                                              |
| IAS              | International Accounting Standards                                                           |
| IFRS             | International Financial Reporting Standard                                                   |
| IJA              | Infrastructure Investment and Jobs Act                                                       |
| invested capital | Net assets plus Net Debt                                                                     |
| Ireland          | The Island of Ireland                                                                        |
| ISO              | International Organization for Standardisation                                               |
| IT               | Information Technology                                                                       |
| KPI              | Key Performance Indicator                                                                    |
| LCA              | life cycle assessments                                                                       |
| Leverage         | Net Debt expressed as a multiple of Underlying EBITDA                                        |
| Like-for-like    | Like-for-like reflects reported values adjusted for the impact of acquisitions and disposals |
| Lionmark         | Lionmark Construction Companies LLC                                                          |
| LPG              | Liquified Petroleum Gas                                                                      |
| LTI              | Lost time injury                                                                             |
| LTIFR            | Lost time injury frequency rate                                                              |
| M&A              | Mergers & acquisitions                                                                       |

|                         |                                                                                                                                                     |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| MPA                     | Mineral Products Association                                                                                                                        |
| MUFG                    | Company registrar, previously known as Link                                                                                                         |
| MW/MWh                  | Megawatt/Megawatt hour                                                                                                                              |
| NDP                     | National Development Plan                                                                                                                           |
| Net Debt                | Net Debt including IFRS 16 lease liabilities                                                                                                        |
| Net capital expenditure | Purchase of property, plant and equipment net of proceeds from sale of property, plant and equipment                                                |
| NI                      | Northern Ireland                                                                                                                                    |
| NPS                     | Net Promoter Scores                                                                                                                                 |
| Pillar Two              | International tax rules, introduced by the OECD, which establish a global minimum corporate tax rate of 15%                                         |
| ppt                     | percentage points                                                                                                                                   |
| PSP                     | Performance Share Plan                                                                                                                              |
| RAP                     | recycled asphalt planings                                                                                                                           |
| RCF                     | Revolving Credit Facility                                                                                                                           |
| RoI                     | Republic of Ireland                                                                                                                                 |
| ROIC                    | Post-tax Return on Invested Capital                                                                                                                 |
| SBTi                    | Science Based Targets initiative                                                                                                                    |
| SECR                    | Streamlined Energy and Carbon Reporting                                                                                                             |
| SONIA                   | Sterling Overnight Index Average                                                                                                                    |
| Sterling                | Pounds sterling                                                                                                                                     |
| SID                     | Senior Independent Director                                                                                                                         |
| STF                     | Slips, Trips and Falls                                                                                                                              |
| TCFD                    | Task Force on Climate-related Financial Disclosures                                                                                                 |
| TIFR                    | Total injury frequency rate                                                                                                                         |
| TNFD                    | Taskforce on Nature-related Financial Disclosures                                                                                                   |
| TPT                     | Transition Plan Taskforce                                                                                                                           |
| TSR                     | Total shareholder return                                                                                                                            |
| UK                      | United Kingdom (GB and NI)                                                                                                                          |
| UKLR                    | UK Listing Rules                                                                                                                                    |
| Underlying EBIT         | Earnings before interest, tax and non-underlying items                                                                                              |
| Underlying EBITDA       | Earnings before interest, tax, depreciation and amortisation, non-underlying items and before our share of profit from associate and joint ventures |
| US                      | United States                                                                                                                                       |
| USPP                    | US Private Placement                                                                                                                                |
| WRI                     | World Resources Institute                                                                                                                           |

## Advisers and Company information

### Company information

Registered in England and Wales  
Company number 14739556

### Registered office

Pinnacle House  
Breedon Quarry  
Breedon on the Hill  
Derby DE73 8AP  
England

### Directors

A Bhatia  
J Brotherton  
C Hui, OBE  
P Lafferty  
H Miles  
C Watson  
R Wood

### Company secretary

J Atherton-Ham

### Registrar

MUFG Corporate Markets  
Central Square  
29 Wellington Street  
Leeds LS1 4DL

### Independent auditor

KPMG LLP  
One Snowhill  
Snowhill Queensway  
Birmingham B4 6GH

### Joint brokers

Deutsche Numis  
Deutsche Bank AG  
21 Moorfields Highwalk  
London EC2Y 9DP  
  
Barclays Bank PLC  
1 Churchill Place, Canary Wharf  
London E14 5HP

### Solicitors to the Company (UK)

Travers Smith LLP  
10 Snow Hill  
London EC1A 2AL

### Contact

If you require information  
regarding Breedon Group plc,  
please contact:

Breedon Group plc  
Pinnacle House  
Breedon Quarry  
Breedon on the Hill  
Derby DE73 8AP  
T: +44 (0)1332 694000

E: [info@breedongroup.com](mailto:info@breedongroup.com)

W: [www.breedongroup.com](http://www.breedongroup.com)



Printed by a CarbonNeutral® company with an Environmental Management System certified to ISO 14001. This document is printed on paper using wood fibre from well-managed, FSC®-certified forests and other controlled sources.

100% of the inks used are HP Indigo ElectroInk which complies with RoHS legislation and meets the chemical requirements of the Nordic Ecolabel (Nordic Swan) for printing companies, and 100% of any waste associated with this production has been recycled or diverted from landfill.

The paper is Carbon Balanced with World Land Trust, an international conservation charity, who offset carbon emissions through the purchase and preservation of high conservation value land. Through protecting standing forests, under threat of clearance, carbon is locked-in, that would otherwise be released.

Designed and produced by **Friend.**  
[www.friendstudio.com](http://www.friendstudio.com).



## Breedon Group plc

Pinnacle House  
Breedon Quarry  
Main Street  
Breedon on the Hill  
Derby, DE73 8AP

+44 (0) 1332 694000  
[breedongroup.com](http://breedongroup.com)