Persimmon

STRONG GROWTH; STRONG PLATFORM

Persimmon Plc Annual Report 2025

Persimmon is built on a strong platform for growth, underpinned by trusted brands, financial resilience and a skilled workforce. With a clear focus on quality, efficiency and innovation, we are well positioned to deliver sustainable value for customers, communities and shareholders, while supporting the UK's housing needs for the future.

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Our achievements are possible only thanks to our exceptional people. I would like to sincerely thank every member of the Persimmon team for their dedication, expertise and commitment.

Dean Finch
Group Chief Executive

Our strategic framework

CLEAR PRIORITIES WITH SUSTAINABILITY AT THE HEART

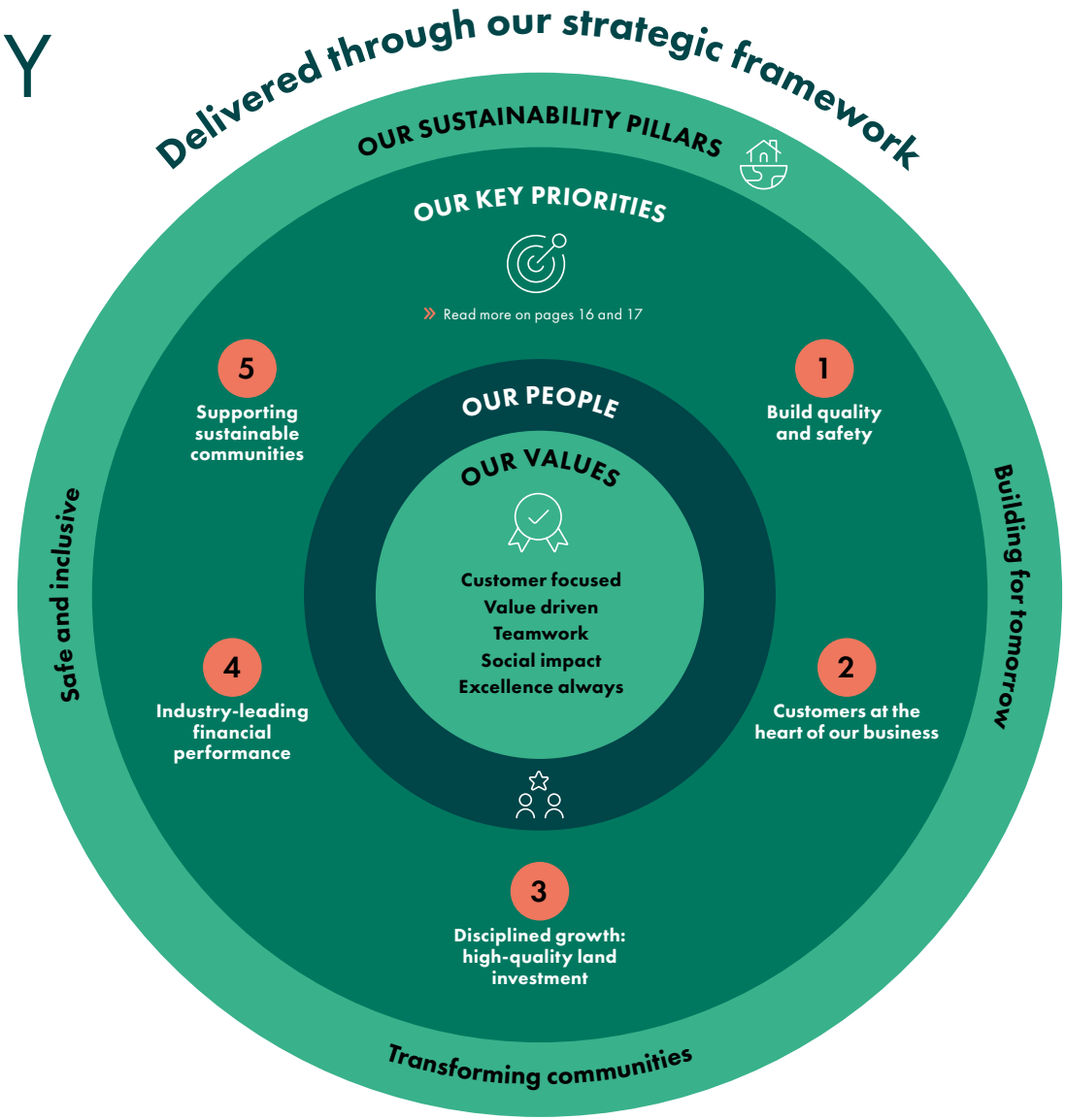
Our mission

To build homes with quality our customers can rely on at a price they can afford.

Our vision

To be Britain's leading homebuilder, with quality and customer service at its heart, building the best value homes on the market in sustainable and inclusive communities.

We will invest in innovation and technology to extend our low-cost strengths and enhance our five-star capabilities to enable as many people as possible to buy the homes we build.



Read more about this on pages 16 and 17

At a glance

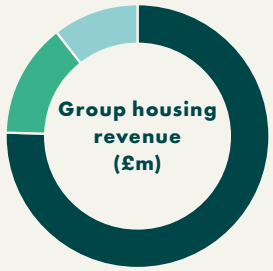
THREE STRONG BRANDS PROVIDING DIVERSIFICATION

Persimmon is a leading UK homebuilder and is well placed with three strong brands. We have a differentiated proposition focused on delivering high-quality homes at attractive price points for our customers.

Persimmon

Attractive product in its target market; built and priced where value is important

Persimmon Homes is our core brand, which delivers a range of traditional family housing throughout the UK in places where customers wish to live and work. With a focus on delivering value and quality for our customers, we sell most of our homes under this brand.

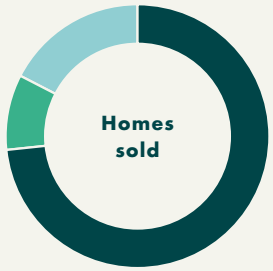


Persimmon Homes	2,498
Charles Church	465
Westbury Partnerships	349
Total	3,312

Charles Church

Repositioned brand driving growth and value

The Charles Church brand complements and differentiates itself from Persimmon by delivering larger, higher specification homes in premium locations across the UK. We build homes under this brand tailored to local markets where our research and experience have identified a strong demand for a premium product.

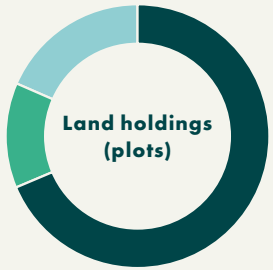


Persimmon Homes	8,730
Charles Church	1,100
Westbury Partnerships	2,075
Total	11,905

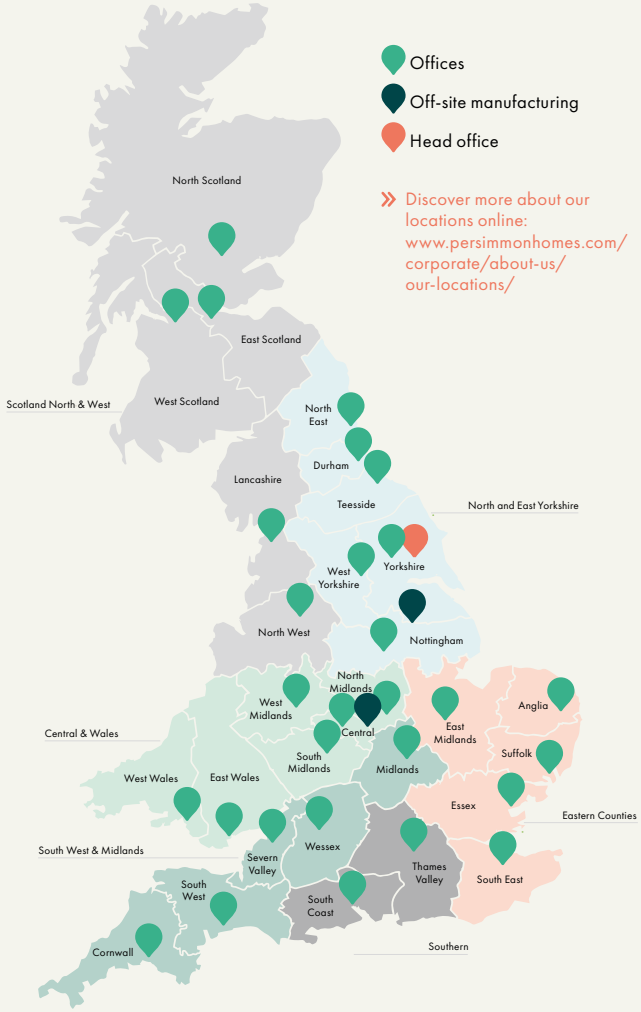
Westbury partnerships

Expanding partnership opportunities

Westbury Partnerships is our brand with a focus on affordable social and Build to Rent housing. We sell these homes to housing associations and institutional investors across the UK. This brand plays a key part in the delivery of sustainable homes for people looking to rent rather than buy their home, as well as offering solutions to some of the country's affordable housing needs.



Persimmon Homes	58,260
Charles Church	10,950
Westbury Partnerships	15,669
Total	84,879



Discover more about our locations online: www.persimmonhomes.com/corporate/about-us/our-locations/

Discover more at www.persimmonhomes.com

Highlights 2025

DRIVING GROWTH

Operational highlights

Number of new homes sold
11,905
2024: 10,664

Net private sales rate
0.70
2024: 0.70

Outlets at 31 Dec
277
2024: 270

Average selling price 2025
£278,203
2024: £268,499

Underlying operating profit[1]
£472m
2024: £405m

Return on capital employed ('ROCE')[2]
11.7%
2024: 11.1%

Cash at 31 Dec
£117m
2024: £259m

Owned land holdings (plots)
70,236
2024: 69,189

Dividend per share
60p
2024: 60p

Sustainable

Investment in local communities[3]
c.£2.3bn
2024: c.£2.2bn

Customer satisfaction score[4]
93.5%
2024: 96.0%

Construction and supply chain jobs supported[5]
c.96,000
2024: c.79,000

1. Stated before net exceptional charge (2025: £44.9m; 2024: £34.4m) and goodwill impairment (2025: £3.4m; 2024: £1.6m).
2. 12-month rolling average calculated on operating profit before net exceptional charge (2025: £44.9m; 2024: £34.4m), goodwill impairment (2025: £3.4m; 2024: £1.6m) and total capital employed. Capital employed being the Group's net assets less cash and cash equivalents plus land creditors.
3. The value of homes delivered to housing associations, the value of discounted open market value homes plus the value of planning contributions we have made over the last five years.
4. The Group participates in a National New Homes Survey, run by the Home Builders Federation. The rating system is based on the number of customers who would recommend their builder to a friend.
5. Estimated using an economic tool kit.

Investment case

High-quality land bank and growing outlets

Three strong brands providing diversification

Excellence in build quality and customer service

Innovation and unique vertical integration

Strong balance sheet

Operating margin and ROCE ambition of 20%

Increasing shareholder returns

Supported by market fundamentals and a pro housing Government

Volume Margin ROCE Shareholder return

Investment case in action

AMBITION TO DOUBLE THE SCALE OF CHARLES CHURCH

During the year we launched our refreshed Charles Church brand at Harlestone Grange in Northampton. We are seeing good demand for our premium Charles Church homes and are targeting doubling the scale of the business.

Chairman's statement

BUILDING MOMENTUM FROM A STRONG PLATFORM

We remain true to our three core principles of high standards of build quality; a strong balance sheet; and excellent operational efficiency.

Roger Devlin
Chairman

Introduction

I am delighted to report another year of positive progress in 2025, achieving meaningful growth of 12% in completions in a challenging market environment.

The progress that we have made over recent years – expanding our outlet base, enhancing our planning capability, developing our brands, investing in our people and strengthening our vertically integrated model – continues to differentiate our operational platform from others and support our long-term strategy.

We remain true to our three core principles of high standards of build quality, a strong balance sheet, and excellent operational efficiency enhanced by vertical integration.

We were delighted to be awarded five-star status by the Home Builders Federation ('HBF') for a fourth year in a row, with customer excellence firmly embedded within the Group's strategic ambitions.

Our strong balance sheet has enabled us to make disciplined investments at the appropriate point in the cycle, expanding our land bank to support future growth, guided by clear principles that ensure our long-term ambitions remain firmly on track. In line with our focus on core competencies and disciplined capital allocation, we completed the sale of FibreNest, the broadband provider business in August 2025, enabling us to reinvest proceeds into areas that best support Persimmon's long-term growth ambitions and operational excellence.

Our three distinct brands – the core Persimmon product, a revitalised Charles Church range, and Westbury Partnerships focused on housing for our institutional and registered provider customers – have all contributed to deliver strong results for the year. This diversified portfolio enables us to address a broad spectrum of customers.

Our vertically integrated model helps secure our supply chain and support our capacity to consistently deliver high-quality, affordable homes with industry-leading margins. I have been delighted to see the progress made, particularly at Space4 following the installation of a new robotic line during the year.

Persimmon is in an excellent position to continue growing, with a focused strategy and differentiated platform to deliver strong financial results and value for its shareholders.

Industry leadership

The UK's housing need is well documented, and the Government is committed to an ambitious housebuilding target. Persimmon is positively engaged with Government, and we welcome the beneficial changes to the planning environment that the Government has introduced, which should improve over time.

We remain dedicated to our building safety remediation programme. In line with this, we were the first housebuilder to sign the Scottish Government's developer remediation contract in December, demonstrating our commitment to dealing with the programme diligently and swiftly. Thanks to our proactive efforts, we have begun or finished work on 77% of identified developments. We remain on track to complete most of the required works over the course of the next two years, and further progress on our remediation work will allow us the opportunity to update our future capital allocation priorities.

Shareholder returns

Our Capital Allocation Policy balances returns to shareholders with investment for future growth. For 2025, the Board proposes a final dividend of 40p per share, payable on 10 July 2026 to shareholders on the register at 19 June 2026, following shareholder approval at the AGM. This dividend, combined with the interim dividend of 20p per share paid in November 2025, totals 60p per share for the 2025 financial year.

Board changes

As previously announced, Anand Aithal formally joined the Board on 1 January 2025, and we are already seeing the benefit from his wealth of experience across many sectors.

Nigel Mills retired from the Board in May 2025 after nine years of service. On behalf of the Board, I would like to extend my sincere thanks to Nigel for his contribution during his time as a member of the Board and wish him all the best for the future.

Duncan Davidson

I wish to pay heartfelt tribute to our esteemed founder, Duncan Davidson, whose passing in October 2025 marks the loss of a visionary leader and the guiding force behind Persimmon. Duncan was instrumental to my appointment as Chairman and was always available to provide help and guidance. Since establishing the Company in 1972, Duncan's unwavering dedication, integrity, and principled leadership shaped our values and left an enduring legacy – not only within our business but also in the communities we serve across the UK. His memory will forever inspire our commitment to excellence and our belief in building thriving communities, reflecting the spirit and standards Duncan championed throughout his remarkable life. I am delighted that we are establishing an Apprenticeship Programme in his honour funded by the Persimmon Charitable Foundation.

In conclusion

I would like to thank all our colleagues, partners and stakeholders for their unwavering support and commitment during what has been a period of challenge and achievement.

Although we operate within a challenging geopolitical, economic and policy environment, our focus remains on what we can control, executing on our strategy and building our business. As we look ahead, I am confident that Persimmon's strong foundations, clear strategic direction and dedicated team will ensure we continue to deliver growing value for customers and shareholders alike.

Roger Devlin
Chairman
9 March 2026

Our markets

GROWTH IN A CHALLENGING MARKET

Housing supply: persistent challenges, planning policy

The UK continues to face a structural undersupply of housing, with population growth and the need to replace ageing stock intensifying the crisis. The Government's commitment to deliver 1.5 million homes over this Parliament remains[1], but delivery is lagging: completions in England for the 12 months to September 2025 were well below the 300,000 required annually to meet the target. The Government has reaffirmed its pro-housebuilding stance, passing the Planning and Infrastructure Act in December 2025, and increased funding with £39bn[2] pledged under the Affordable Housing Programme as part of the June Spending review. While encouraging, the sector awaits changes on the ground. For example, the key measures of the Act still require enabling through secondary legislation.

1.5m homes

Government target for new home additions over this Parliament[1]

Our response

We have proactively enhanced our planning approach over the past few years and secured approvals on 12,815 plots in 2025 — exceeding utilisation rates and demonstrating resilience despite policy uncertainty. Our engagement with policymakers remains robust, advocating for streamlined, sustainable development and faster planning decisions. We are leveraging our national land bank and strategic land pipeline to maintain delivery momentum, while closely monitoring evolving planning frameworks and environmental requirements. This allowed us to grow our outlet base during 2025, against industry trends, with further growth expected in 2026.

» Discover more at www.persimmonhomes.com

1. www.gov.uk/government/news/planning-overhaul-to-reach-15-million-new-homes.
2. www.gov.uk/government/publications/delivering-a-decade-of-renewal-for-social-and-affordable-housing/delivering-a-decade-of-renewal-for-social-and-affordable-housing.

Links to key priorities

1. Build quality and safety
2. Customers at the heart of our business
3. Disciplined growth: high-quality land investment

» Read more on pages 16 and 17

Links to principal risks

1. UK economic and market conditions
2. Government policy and political risk
6. Land and planning
7. Supply chain
12. Regulatory compliance

» Read more on pages 73 to 76

Affordability and market trends: headwinds remain

In 2025, the UK economy continued its recovery, with real GDP growth estimated at 1.3%. Although inflation has eased, it continued to exceed the Bank of England's target, which has dampened the pace of rate cuts impacting affordability, particularly for first-time buyers. Nevertheless, wage growth has outstripped house price inflation, and mortgage rates have declined — with the average two-year fixed rate at 4.86%[1] in December 2025. Meanwhile, despite a pause on investment in the lead up to the Budget, total institutional investment in Build to Rent ('BTR') schemes totalled a record c.£5.3bn in 2025[2]. 59% of this was for single family housing, continuing the trend seen in 2023 and 2024.

While the Autumn Budget contained little direct impact on housebuilders, the introduction of a mansion tax for properties over £2m from April 2027, adjustments to pension salary sacrifice, new pay-per-mile charges for electric vehicles, higher taxes on rental income, frozen income tax thresholds and a consultation on ending Lifetime ISAs could have an impact on the wider housing market.

Our response

We continue to offer a broad range of homes at accessible price points, with our core private average selling price below the national average. During 2025, we also launched two new products, New Build Boost and Rezide to help our customers bridge the affordability gap with an interest-free loan of 15% of the purchase price. Our diversified brand portfolio — spanning our core Persimmon brand, the premium market through Charles Church, and the BTR/affordable institutional markets through Westbury — enables us to adapt to regional market dynamics. Strategic partnerships in the private rental and affordable housing sectors underpin our resilience and growth, while our national footprint provides a buffer against regional volatility.

1. www.moneyfactsgroup.co.uk/media-centre/group/lenders-slash-rates-and-improve-choice-for-borrowers/.
2. Savills UK Build to Rent Market update.

Links to key priorities

2. Customers at the heart of our business
3. Disciplined growth: high-quality land investment
5. Supporting sustainable communities

» Read more on pages 16 and 17

Links to principal risks

1. UK economic and market conditions
2. Government policy and political risk
6. Land and planning
11. Reputation

» Read more on pages 73 to 76

Labour and build cost pressures: benefiting from vertical integration

Labour shortages, an ageing workforce and persistent skills gaps continue to constrain productivity and inflate build costs nationally. While build cost inflation was at a more normal c.2%-3% in 2025, the impact on projects acquired in previous years remains. The sector's focus on apprenticeships and graduate programmes is growing, but as the industry returns back to previous peak volumes, supply may be constrained. In addition, the 2025 Budget introduced a sharp increase in landfill taxes (with the lower rate for inert materials such as topsoil, doubling from April 2026, and further rises expected in future years) adding further regulatory cost pressure to developers.

526

trainees and apprentices within the business

c.96,000

supply chain jobs supported

Our response

We are mitigating supply chain and cost challenges through robust supplier agreements and investment in vertical integration. Our apprenticeship and educational partnerships are expanding, with over 520 trainees and apprentices currently in training and c.96,000 supply chain jobs supported. We continue to invest in our factories as we look to increase productivity as well as increase off-site manufacture. During 2025, we installed a new semi-automated timber frame line and were the first developer to install an automated roof truss line, both at our existing Space4 timber frame factory. We also continue to pilot innovative construction methods, including with a brick facade system. As we increase the use of timber frames and continue to find innovative solutions, this will drive efficiency and address longer-term skill shortages.

» Discover more at www.persimmonhomes.com

Links to key priorities

1 Build quality and safety

4 Industry-leading financial performance

» Read more on pages 16 and 17

Links to principal risks

1 UK economic and market conditions

2 Government policy and political risk

7 Supply chain

9 Skilled workforce, retention and succession

» Read more on pages 73 to 76

Regulatory shifts: adapting to a changing landscape

The regulatory environment remains changeable. The Government's planning reforms aim to reinstate local housing targets and streamline approvals, but implementation timelines remain uncertain. The Future Homes Standard ('FHS'), targeting net zero-ready homes, is still to be finalised and a date set for implementation. The Building Safety Levy, designed to fund remediation of unsafe cladding, will be introduced in Autumn 2026.

The Competition and Markets Authority ('CMA') closed its investigation into housebuilding in October 2025, with the sector committing to enhanced compliance, transparency and a £100m contribution to affordable housing (of which Persimmon contributed £15.2m)[1].

Our response

We are actively preparing for regulatory change, with energy transition plans in place for all developments and early adoption of low-carbon heating solutions such as air source heat pumps. Our compliance and training programmes are being enhanced in line with CMA commitments, and we are working closely with industry bodies to shape best practice on information exchange and competition.

1,328

Low-carbon heating solutions installed instead of gas boilers

» Discover more at www.persimmonhomes.com

1. www.gov.uk/government/news/affordable-housing-set-to-benefit-from-100-million-following-cma-probe.

Links to key priorities

1 Build quality and safety

2 Customers at the heart of our business

3 Disciplined growth: high-quality land investment

4 Industry-leading financial performance

» Read more on pages 16 and 17

Links to principal risks

2 Government policy and political risk

3 Climate change and sustainability

5 Building safety and legacy buildings

6 Land and planning

11 Reputation

12 Regulatory compliance

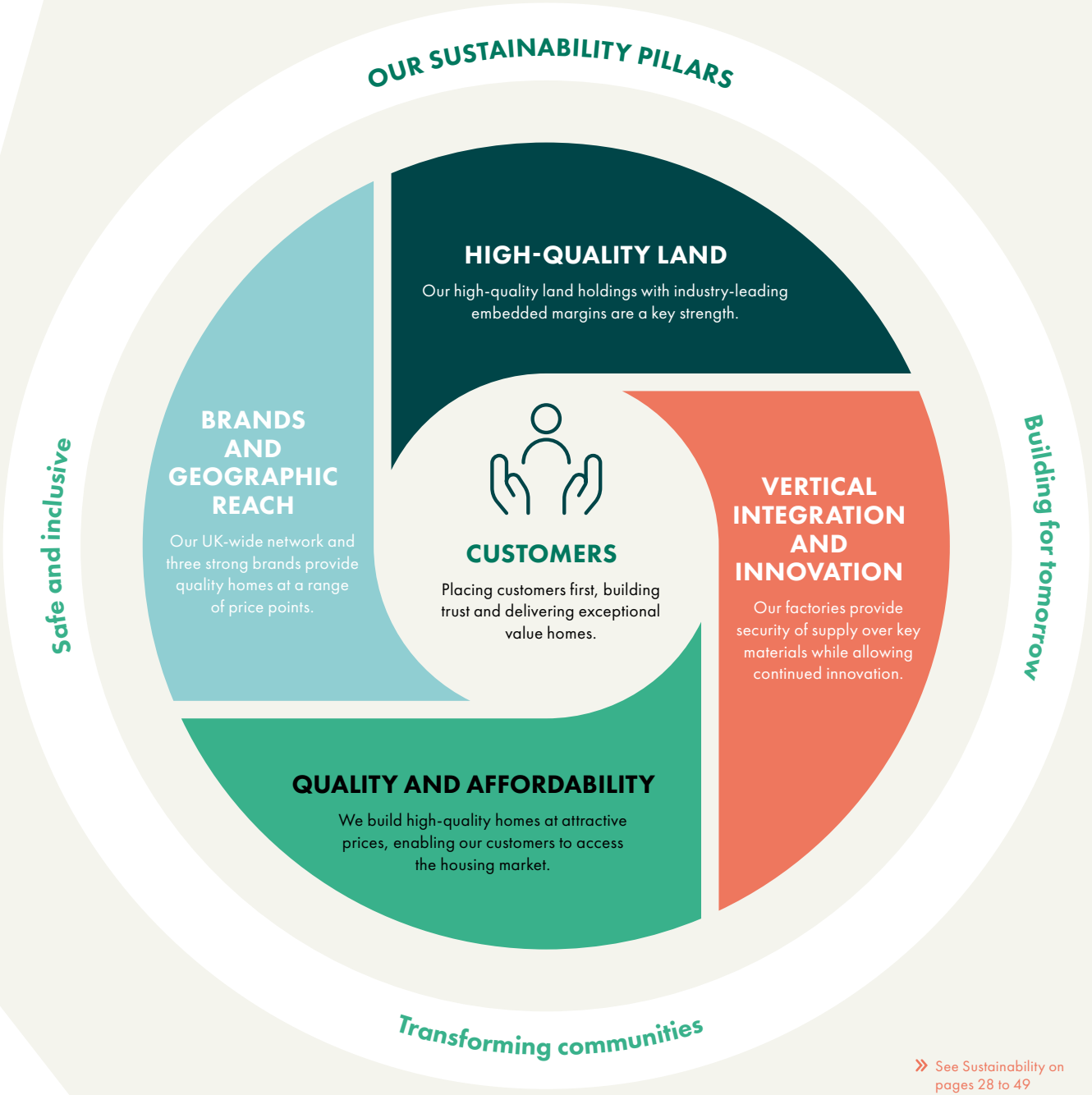
» Read more on pages 73 to 76

Our business model

WHAT WE DO

We are a UK homebuilder focused on identifying and meeting local housing needs. Our skilled land, planning and design teams collaborate closely with local governments, landowners and communities to plan and deliver developments in areas where people desire to live and work.

With a disciplined land investment strategy and in-house manufacturing facilities for key materials, we ensure quality and sustainability. Our goal is to create affordable, well-designed homes within sustainable communities, backed by exceptional customer service throughout the home-buying journey.



» See Sustainability on pages 28 to 49

Our value chain

VALUE CREATION AT EVERY STAGE

Our value chain is fundamental to driving growth at every stage of our operations. Right from the way we acquire land through to handing over keys to the customer, we are maximising growth and driving returns. We choose where to build, how to build and what to build to drive value creation.

Land

Through a disciplined and strategic approach to land acquisition, we leverage strong local relationships to secure optimal opportunities, with a significant proportion of our completions sourced from our strategic land bank. This approach consistently delivers superior margins compared to open market purchases.

84,879
plots owned or controlled, with

over 77k
further potential plots in strategic land bank

Planning

Our strong master planning skills and high plot density drive value from the land we purchase. We have a local engagement-led approach to achieving planning, which is driving success in achieving approvals.

12,815
plots achieved planning in 2025

3%
growth in outlets

Procurement and construction

In procurement and construction, our unique vertically integrated model is a key driver of business value, ensuring consistency, quality and efficiency across the supply chain. The adoption of **The Persimmon Way** streamlines the build process, maintaining high standards and operational efficiency.

Sales and customer care

Our significant investment in dedicated in-house sales and customer care teams for each of our brands has resulted in consistently exceptional service and strong customer recommendation rates. In addition, through the launch of innovative products and incentives we are driving our sales rates.

93.5%
of our customers would recommend us to a friend

Vertical integration

OPPORTUNITY THROUGH VERTICAL INTEGRATION

Our vertical integration provides security of supply and quality of key materials at efficient cost. This is supported by Group and local buying teams, which secure the best deals on other material requirements.

Through our vertically integrated capabilities, we are investing in innovation and technology to extend our low-cost strengths and enhance our five-star capabilities to enable as many people as possible to buy the homes we build.

This gives us a strong platform to support our growth ambitions, through greater use of off-site manufacture providing increased build speed and efficiency while reducing our exposure to build cost inflation.

Disposal of FibreNest

In August, we sold FibreNest, our non-core broadband service, to BUUK Infrastructure, allowing us to use the proceeds to invest further in our growth strategy as set out in March 2025 and eliminating further investment in FibreNest. Under BUUK's ownership, FibreNest will offer improved choice for customers, with access to up to 18 internet service providers.

Net cash receipt

£68m

TILEWORKS

Delivering quality at scale

Tileworks, the Group's own concrete roof tile manufacturing facility, produces tiles solely for the Group. During the year, Tileworks supplied c.12 million tiles to 282 sites across the Group, 54% more tiles than in 2025. To meet increasing demand for tiles across the Group we are planning to introduce a third shift in 2026.

Group's tile usage

89%

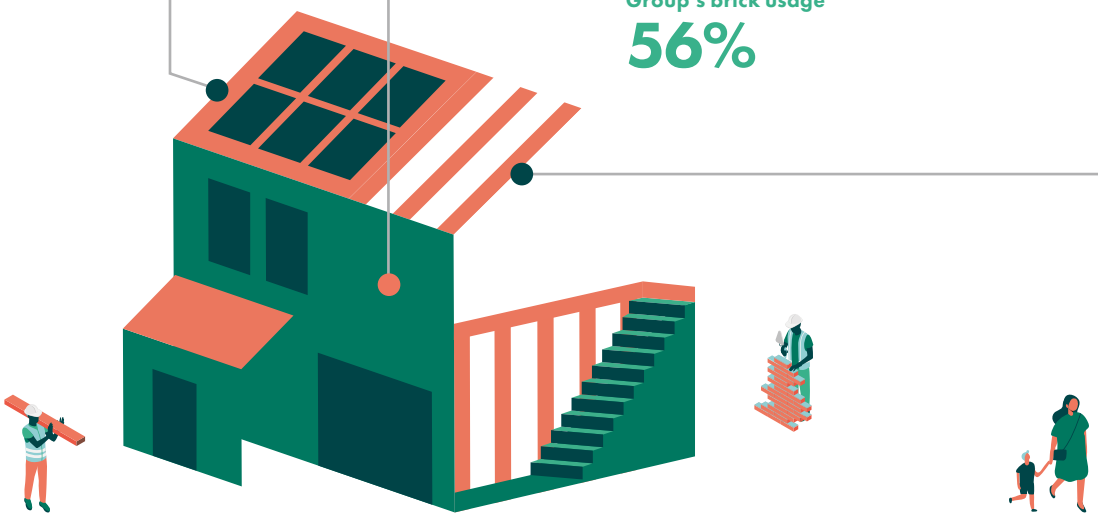
BRICKWORKS

Securing supply, ensuring standards

Brickworks produces concrete bricks and is entirely focused on supplying the Group's housebuilding operations. During 2025, Brickworks supplied c.60 million bricks and block paving to 258 sites across the Group. This represented 56% of the Group's brick usage in the year and a 23% increase in demand in 2025. The factory has the capacity to produce c.70 million bricks per year with extra capacity being added during 2026, giving us security of supply as volumes recover.

Group's brick usage

56%



space4

Driving efficiency through innovation

Our **Space4** manufacturing business produces timber frames, highly insulated wall panels and roof cassettes as a 'fabric first' solution to the construction of new homes. Space4's MMC system helps us to improve site productivity (cutting seven weeks off build time), increase build capacity and mitigate construction industry skills shortages. Space4 supports all of our brands and supplied c.4,600 timber frame kits and roof systems to the Group in 2025, up 36% year on year. Our Space4 factory provides us with the unique ability to implement, among other initiatives, innovative 'fabric first' solutions to enhance the future efficiency of our homes.

Timber frame kits and roof systems supplied to the Group

c.4,600

space4

NEW AUTOMATED AND ROBOTIC TECHNOLOGY AT SPACE4

During the year we installed new automated and robotic technology at our existing Space4 facility in Birmingham. The investment means we are able to deliver a more advanced product more safely, with higher accuracy and consistency and less wastage. The production line has been custom built for our house types with our 3D designs fed into the software, which works out how much material is needed with minimal waste, resulting in a more sustainable way of building. We are the first developer to install an automated roof truss line with certification achieved in November 2025, and the first deliveries to site due early in 2026.

» Discover more at www.persimmonhomes.com

The value we create

Persimmon performed very well in 2025, with earnings growth underpinned by our sustained investment in the business and focus on self-help over the past few years.

Dean Finch
Group Chief Executive

Financial performance

Our well-established strategy provides a resilient balance sheet and high-quality land holdings from which we have the expertise to deliver sustainable returns for all our stakeholders.

Financial strength
£3.61bn
balance sheet net assets at 31 December 2025

Capital returned to shareholders
£192m
in the year to 31 December 2025

Resilient balance sheet
£117m
net cash at 31 December 2025

Employment
4,605
direct employees at 31 December 2025

Jobs supported
c.96,000
construction and supply chain jobs[2]

Create sustainable communities

Our Placemaking Framework ensures that all our developments create a sense of place for our customers and put communities at the heart of our developments.

New homes delivered
11,905
2,075 delivered to housing associations

'Homes for all'
£286,145
Persimmon Homes private average selling price c.19% lower than the UK national average[1]

Investing in communities
c.£2.3bn
over the last five years

Public open spaces
541
acres created[2]

HBF score
4.30
HBF combined survey score[3]

1. Based on the Persimmon Homes private average selling price of £286,145 for the year to 31 December 2025 compared with the national average selling price for newly built homes sourced from the UK House Price Index as calculated by the Office for National Statistics from data provided by HM Land Registry.
2. Estimated using an economic tool kit.
3. National New Homes Survey, run by the Home Builders Federation, combined build quality and customer service score based on 8-week and 9-month survey responses.

Group Chief Executive's statement

DELIVERING A STRONG PERFORMANCE THROUGH STRATEGIC INVESTMENT AND SELF-HELP

Our strategy enables us to build more routes to more markets to deliver more homes and growing returns.

Dean Finch
Group Chief Executive

Persimmon's performance exceeded expectations in 2025, with earnings growth underpinned by our sustained investment in the business and focus on self-help over the past few years.

Our strategy is focused on choosing where we build, what we build and how we build. This strategic focus drove 12% growth in completions and 13% increase in underlying profit before tax[1], supporting cash generation and improvements in margin and ROCE. Our three strong, well-positioned and distinct brands all grew and remain a key differentiator: the core Persimmon brand is well placed for today's market, Charles Church grew strongly as we invested in our premium offering, and Westbury continues to drive growth in the partnerships and Build to Rent ('BTR') markets.

We increased the number of outlets we operated from, against industry trends. We sold more homes, with ex-bulk sales rates up 4% to 0.59 per outlet per week and we successfully launched innovative products like New Build Boost and Rezide to help address affordability challenges for customers. Our current forward order book is up 6% year on year. Our investment in our vertical integration benefited delivery in 2025 and will continue to do so for years to come. Enhanced house type ranges are meeting customer needs while also improving build efficiency. The addition of new sites to our already strong strategic land bank provides us with an expanding platform for future growth.

Our strategy enables us to build more routes to more markets to deliver more homes and growing returns. Our plans for further investment, innovation and self-help all support our medium-term growth ambitions, driving further margin improvement and enhanced returns. As an already growing company at this point of the cycle, we are well positioned to secure further expansion when market conditions improve and the Government's welcome planning reforms take effect.

During the year, we also made further progress in building safety remediation and expect the programme of works to be largely completed in the next two years. As proudly the first major housebuilder to protect leaseholders from the cost of building safety remediation, we have always recognised this action is the right thing to do as a responsible business. The works' completion alongside the continued delivery of our broader growth strategy paves the way for improved shareholder returns.

Our achievements are only possible thanks to our exceptional people. I would like to sincerely thank every member of the Persimmon team for their dedication, expertise and commitment. I am proud to work alongside so many industry-leading experts and committed colleagues. Their efforts and passion are fundamental to our success, delivering value for shareholders and helping to build thriving communities across the UK.

Trading performance

Our 2025 results demonstrate the success of the strategy to position the business for growth, despite a challenging market backdrop. We delivered 11,905 new homes in the year (2024: 10,664) and grew our net sales rate excluding bulk by 4% year on year to 0.59 per outlet per week (2024: 0.57). We achieved a further 0.11 per outlet per week contribution from bulk sales (2024: 0.13), lower than the prior year reflecting the November Budget's widely documented effect on the broader BTR market. Our continued investment in sales and marketing helped to drive increased customer enquiries and overall sales figures, with both ahead of the prior year. Private average selling prices on reservations remained robust, with incentives controlled at c.4.6% per gross reservation (2024: c.4.5%).

We are pleased to have achieved an underlying operating margin[1] of 14.3% (2024: 14.1%). Our vertical integration and operational efficiencies enabled us to mitigate the substantial impact of embedded build cost inflation coming into the year. These unique capabilities have helped underpin the margin performance and will help drive further growth.

High-quality land bank and growing outlets

Our land acquisition strategy is founded on disciplined, targeted assessments to ensure control over our development pipeline. We carefully select sites aligned with our growth ambitions, market demand and margin potential. In 2025 we increased our investment, with net land spend of £541m, up from £437m in the previous year. Our improved reputation, including our enhanced placemaking approach, helped us access more opportunities, with more promoters and agents working

Group Chief Executive's statement continued

High-quality land bank and growing outlets continued

with us. We had some excellent land opportunities in 2025 and as a result secured 16,309 new plots at strong embedded margins, achieving a replacement rate of 137%. This underpins our confidence in our medium-term targets, as this land comes into production and older land acquired before the spike in build cost inflation begins to unwind. Overall, our total land holdings increased to 84,879 plots giving us good visibility over our future pipeline (2024: 82,084).

Our proactive approach to planning is removing barriers to consent and securing more approvals, converting our sustained land investment into a growing number of active sites. We opened 103 new outlets in the year (2024: 103 outlets) and finished the year with 277 outlets, up 3%, while the sector reduced outlet numbers by c.2%[2].

We obtained detailed or reserved matters planning for 12,815 plots in 2025, 108% of our completions for the year. Examples include at Madgwick Lane, Chichester and Hull Road, York, where we combined enhanced placemaking with proactive engagement to navigate local planning and stakeholder challenges to secure approvals and outlet openings. These successes are helping to develop a strong pipeline, with plans for more than 100 outlet openings in 2026. We expect to see net growth in outlets this year and remain on track to meet our target of at least 300 outlets.

Our strategic land portfolio is already a strong asset for our business, making an important contribution to our current growth. Over one third of the plots we secured detailed planning approval for in 2025 came from our strategic land bank. It is also an important asset to support our medium-term growth ambitions and we have therefore invested to strengthen our strategic land portfolio further. During the year, we acquired the Midlands-based land promoter Lone Star Land and have already identified significant new opportunities amongst their portfolio. We have also invested in our in-house strategic land teams across Persimmon, broadening our reach and influence in the market. Overall, we added c.10,000 potential plots to our strategic land bank in 2025 and ended the period with over 77,000 potential plots up from c.70,000 potential plots, equivalent to 10% growth. Our ability to choose the right locations and navigate the planning process is central to our growth strategy.

The Planning and Infrastructure Act passed in December was a positive step. While it will take time for planning reforms to take effect, we are proactively shaping our pipeline, identifying 68 sites for accelerated planning of which 25 planning applications are expected to be submitted by the end of the first quarter. This will include 300 plots at Dudley, West Midlands and 200 plots at Keynsham, Severn Valley. These sites combined represent about 13,000 plots to support medium-term delivery. Following extensive discussions with Government, we were delighted to see the launch of 'Phase 2' of its 'New Homes Accelerator Programme'. The accelerator is now more focused on speed, unblocking stalled sites that can deliver in the short term. We immediately submitted sites and have identified a longer list of additional opportunities. We look forward to working closely with Government to accelerate the opening of new outlets.

Three strong brands providing diversification

Our three-brand strategy – Persimmon Homes, Charles Church, and Westbury Partnerships – allows us to target diverse and distinct market segments. This approach delivered robust growth in 2025, with each brand delivering more homes than the previous year. Across all three brands we have invested to enhance the customer proposition, the quality of the homes we offer and the efficiency in which we build them. By strengthening each brand and sharpening their distinct positions in the market, we have built a platform that not only supports current performance but also positions us for sustained progress towards our medium-term ambitions.

Core Persimmon remains our largest brand and the cornerstone of the Group. In 2025, our outlet network and sales and marketing initiatives led to a 7% increase in core Persimmon completions. We continued to invest in the core Persimmon brand, refining our approach to placemaking, creating standout developments with quality street scenes and landscaping. We streamlined our core product range making them more efficient to build and harnessing in-house manufacturing capabilities. By utilising our own bricks, tiles, and timber frames, we not only enhance supply chain security and accelerate delivery times but support our margins with estimated savings of up to £6,000 per plot.

We also invested further in our sales and marketing to drive customer interest. Core Persimmon is well placed in the market with private selling prices around 19% below the market average[3]. We augmented this market positioning by offering innovative shared equity products to proactively address our customers' affordability challenges and make homeownership more accessible to more people. Alongside our broader sales and marketing campaigns and disciplined use of tailored incentives that meet individual customer needs, we have driven increased interest in our homes. We saw a 21% rise in website visitors, with good interest observed across all regions in 2025. We will build further on this progress in 2026, with a new customer website and marketing platform launched in the first half of the year. Persimmon is well placed for continued growth.

The relaunch of Charles Church, our premium brand, has generated real momentum, with completions up 16% in 2025. Customers have embraced our new house types and enhanced specifications, supporting the premium pricing Charles Church achieves and demonstrating the opportunity to drive further growth in this market segment. Indeed, we closed the year with 64 Charles Church outlets, up from 48, including 41 dual-branded sites. We achieved both these extra completions and outlet expansion using our existing teams and structure, demonstrating the efficiency benefits.

With clear brand distinction, we are expanding into new regions, actively pursuing both standalone and dual-branded opportunities. Charles Church is allowing us to secure land opportunities in new markets we are unlikely to have otherwise accessed. As well as serving distinct markets, a dual-branded presence can generate additional sales for each brand as customers explore the breadth of homes on offer. Our medium-term target remains to double Charles Church's contribution to the Group and its first bespoke marketing strategy is helping drive increased interest and enquiries. So far in 2026, enquiries are up 48% and website visitors are up 127%. With Charles Church also launching its own new and enhanced customer website in the coming months, alongside the marketing platform mentioned above, we are confident it will continue to drive growth and enhance returns for the Group.

Our Westbury Partnerships brand is becoming a trusted partner for institutional investors and registered providers. Our flexible model lets us match each site to local demand, whether private homes, affordable housing or BTR. We have invested in both the homes we are building, to ensure they efficiently meet the requirements of these customers, and the relationships to open up and sustain new market opportunities.

The BTR market continues to offer good opportunities for capital-efficient sales to our institutional customers. We increased the number of partners we worked with in 2025 and introduced new BTR house types – drawing on our knowledge of investors' requirements – to meet their needs efficiently. This improved offering and expanded partner network, led to a 21% increase to 1,758 in the homes we delivered for our partners (2024: 1,456). Despite some partners pausing investment decisions ahead of the Budget, all planned deals completed in 2025. This budget-related pause is reflected in our current forward order book. Investor interest remains high, however, and we are working closely with a number of partners to complete deals shortly. Persimmon's national footprint and single-family housing expertise position us well to capitalise on this market, particularly where we have larger sites that offer the opportunity of mixed-tenure development, enabling us to maximise value and returns.

Completions to housing associations rebounded strongly in the second half and in total we delivered 2,075 homes for our partners, up 31% on the prior year (2024: 1,589). Delivery was particularly strong in the fourth quarter of 2025 and consequently we do not anticipate this level of growth to be replicated in 2026. Our relationships across the housing association market remain strong and we are focused to ensure we meet partner requirements, especially for the forthcoming Social and Affordable Homes Programme to maximise future opportunities.

With three distinct brands serving unique customer segments and market channels, we have built a dynamic platform to drive our medium-term ambitions. Alongside our growing outlets we are building more routes to more markets to deliver more homes and growing returns.

Build quality and customer service

At Persimmon, our commitment to build quality and customer service is central to our business operations. During 2025, we delivered a step change in growth, without compromising on the consistently high standards we have achieved in recent years. This provides a strong platform to meet our medium-term targets. By combining strong growth with a reputation for consistent build quality and service excellence we will meet customers'

aspirations, increase the number investors, landowners and suppliers who want to partner with us and further enhance our attractiveness as an employer of choice.

Our combined quality and service HBF score ended the survey year at 4.30[4] and continues to track at five-star homebuilder status, reflecting our ongoing focus on the quality of our customers' experience. We are delighted to have maintained our five-star HBF rating, awarded to us for the fourth year running in March 2025. Delivering this while growing the business demonstrates the embedded culture of consistently delivering high-quality homes. This is further reflected in our Trustpilot scores, which remain at their 'Excellent' rating with 4.6 stars for both Persimmon Homes and Charles Church (December 2024: Persimmon 4.5 star; Charles Church 4.4 star).

We also sustained our improvements in build quality, with reportable items continuing to track at low levels at 0.29 (2024: 0.26). Our increased investment in site work in progress alongside more accurate and efficient build programmes has meant we built 22% more homes on average per week than in the prior year. Our improved build programmes also ensure a more rigorous alignment to our key stage inspections process, providing build quality checks and reducing the need for and costs of rework. This has been further strengthened by investment in more Independent Quality Control officers and more training for our people. These initiatives led to a 310bps improvement in our NHBC Construction Quality Review scores to 92.6% (2024: 89.5%), which is a great achievement.

We are continuing to invest in our people, systems and processes, to drive further progress. The continued roll out of digitised systems is helping to drive further efficiency and quality benefits. A materials management system that will help automate call-offs in line with build programmes, will help manage cash flow and reduce lost, stolen and damaged costs. Granular analysis of our build programme progress, measuring site-level labour rates and plot-level progress, is allowing a greater focus on areas for improvement and best practice sharing to secure further improvements in our efficiency. Tools, platforms and processes such as these are crucial to us driving the growth necessary to meet our medium-term targets efficiently.

Innovation and vertical integration

Our vertically integrated model has continued to benefit the business, with increased production at Brickworks, Tileworks and Space4 to meet the demands of our expanding business. Further investment across all three facilities will also play a pivotal role in supporting our growth ambitions. Our in-house materials are now the preferred choice throughout the business. This approach delivers significant advantages in cost, efficiency and quality, ensuring reliable supply and consistent high standards, allowing us to deliver affordable high-quality homes for our customers.

To meet the increasing demand for our next-generation brick during the year, we implemented a third shift at the Brickworks facility. Brickworks delivered c.60 million bricks, 23% more than in 2024, to 258 sites during 2025. With the factory now operating, 24 hours a day and seven days a week, plans are in place to further expand capacity in 2026 by introducing an additional production line, opening in 2027.

Our own tile is now our preferred option for every region, except where local planning rules require an alternative product. Demand again grew in 2025, with c.12 million tiles, 54% more than in 2024, delivered to 282 sites. We anticipate adding a third shift this year, further enhancing cost efficiency.

The new state-of-the-art automated timber frame line at our Space4 factory became fully operational in the second half of 2025 and has improved both the efficiency of the factory as well as the consistent quality of the product being delivered to site. We are also the first developer to install an automated roof truss line. This truss line gained certification in November 2025 and began delivery to site in January 2026. The investment made in the factory reflects the significant growth in demand for the product. Space4 supplied 3,666 timber frame products as well as 964 room-in-roof kits, a 36% increase in delivery during 2025. By the end of 2026 all of our regions outside of Scotland (where we use third-party suppliers), will be taking product from our Space4 factory. We continue to see the use of timber frame as key to delivering future growth and to improving on-site efficiency, by not only shortening build times but also reducing demand for scarce labour.

We are looking to innovate and further increase our use of AI, including seeking out new opportunities to leverage advanced tools for compliance, site management, and land assessment. By exploring AI-powered insights, we aim to strengthen decision making and enhance operational efficiency across our core business areas. To support this, we have launched a pilot Persimmon Data & AI Academy to build practical, immediately usable data and AI capability across the organisation. The first cohort of colleagues will begin their training in March.

Current trading and outlook

Market conditions have been supportive – including greater mortgage availability and real wage growth – which when combined with our increasing outlet base, has underpinned our growth. We welcome the beneficial changes to the planning environment that the Government has introduced, which should support further outlet growth over time. Our diversified value-positioned brands and strong platform position us well to meet increasing demand supported by our sustained investment in land, continued success in planning, vertical integration and commitment to quality and customer service.

In the first nine weeks of this year our net private sales rate per outlet per week was 0.73, up 9% compared to the same period last year (2025: 0.67). The private average selling price in the order book is up 6%, which combined with increased reservations has resulted in a 9% increase in our private forward sales position to £1.25bn as at 1 March compared with a year ago (2025: £1.15bn). Total forward sales as at 1 March have increased by 6% to £1.80bn (2025: £1.69bn).

With stable build cost inflation and our unique vertical integration, we are managing ongoing cost pressures effectively while investing in further capacity and innovation. This, together with our investment in land and plans to open more than 100 outlets in 2026, positions us well. We are monitoring the impact the conflict with Iran could have on our markets in 2026. Within private sales, we have not assumed mortgage rate reductions or the introduction of any government demand stimulus, with the most important short-term factor being any changes to customer sentiment in response to increased uncertainty. However, sales in the opening weeks of the year have been strong and our BTR and partnerships customers have funds mostly in place for our planned delivery this year. The potential impact of the current uncertainty on build cost inflation is not yet known, but we would anticipate limited impact on the current year due to our existing agreements with key suppliers and our accelerated production levels coming into 2026. More widely, our increased banking facilities provide additional balance sheet strength.

Assuming the conflict with Iran and its impact is short, we expect to deliver between 12,000 and 12,500 completions in 2026, with underlying operating profit towards the upper end of current consensus[5]. Our investment for growth at this point in the cycle will result in increased finance costs and therefore underlying profit before tax is expected to be in line with current consensus[5].

The enduring aspiration for home ownership remains strong and provides the opportunity for growth into the medium term. Continued strategic investment in the business and our self-help strategy over recent years has positioned us well for future expansion. This investment, along with capital allocation choices as we progress our building safety remediation work, will enable us to convert market opportunities into sustainable growth in support of our medium-term ambitions to deliver an underlying operating margin and ROCE of 20% and increased returns for our shareholders.

Dean Finch
Group Chief Executive
9 March 2026

Footnotes:

1. Stated before net exceptional charge (2025: £44.9m; 2024: £34.4m), and goodwill impairment (2025: £3.4m; 2024: £1.6m). Margin based on new housing revenue (2025: £3.31bn; 2024: £2.86bn).
2. HBF industry data based on 12 months to 31 December 2025.
3. Based on the Persimmon Homes private average selling price of £286,145 for the year to 31 December 2025 compared with the national average selling price for newly built homes sourced from the UK House Price Index as calculated by the Office for National Statistics from data provided by HM Land Registry.
4. The Group participates in the House Building Federation (HBF)'s Five Star Scheme. The HBF star ratings are based on results from the National New Homes Customer Satisfaction Surveys run by the NHBC. From the 2024/2025 survey year the HBF has moved to a combined mean score (not percentage satisfied) for build quality and service after score based on the 8-week and 9-month survey responses. In the first year, a score of greater than 4.15 is equivalent to five-star status.
5. Company compiled full year 2026 consensus of 12,136 homes, an underlying operating profit range of £486m to £517m and underlying profit before tax mean of £470m.

Our strategy

KEY PRIORITIES

Our five key priorities provide the framework for leveraging our sector-leading land holdings and strong operational capabilities.

Our land holdings and pipeline of outlets provide us with a strong platform to deliver disciplined growth, leveraging our operational capabilities.

We continue to focus on what is within our control – growing outlets, developing our brands and investing in vertical integration. We are advancing our systems and processes to improve our product for our customers while building high-quality, safe and sustainable homes.

Strategic progress

NHBC reportable items
0.29

SAP rating[1]
89
average on our homes

Embedded in land bank
c.28%
gross margin

1. The average standard assessment procedure ('SAP') rating of our new homes; equivalent to EPC 'B' rated.

1 Build quality and safety

Progress in 2025

- Maintained high levels of build quality, reflecting significant improvements since the introduction of The Persimmon Way with NHBC Construction Quality Review scores at 92.6%.
- NHBC Reportable Items maintained at low levels; 0.29 per inspection in 2025.
- Expanded training and digital tools for site teams, enhancing operational efficiency.
- Continued strong performance in safety reviews and independent inspections, supporting our mission to deliver trusted, high-quality homes.

Future focus

- Advance systems and processes to further improve product quality.
- Innovate in modern construction methods and vertical integration.
- Maintain leadership in building safety and sustainability.

Link to principal risks

- Supply chain disruptions may impact material availability and build schedules.
- Regulatory changes could require rapid adaptation in safety and quality standards.
- Market volatility may affect investment in new technologies.
- Maintaining consistent quality across expanding operations remains a challenge.
- Environmental risks and sustainability goals need continual focus.

» Read more on pages 73 to 76

2 Customers at the heart of our business

Progress in 2025

- Delivered outstanding customer experience, with HBF five-star rating for the fourth consecutive year in 2025 and NHBC customer recommend a friend at 93.5%.
- Trustpilot scores improved to 4.6 for Persimmon Homes (2024: 4.5) and 4.6 for Charles Church (2024: 4.4).
- Enhanced sales schemes and incentives, including New Build Boost and Rezide.
- Continued development of all three brands, expanding customer base and improving digital journey.

Future focus

- Further enhance customer experience.
- Strengthen brand presence and marketing initiatives.
- New website and customer CRM to be launched in 2026.
- Maintain customer satisfaction ratings.

Link to principal risks

- Market fluctuations affecting customer demand and affordability.
- Changes in customer expectations and preferences.
- Maintaining high levels of customer satisfaction.
- Regulatory changes impacting customer service processes.

» Read more on pages 73 to 76

3 Disciplined growth: high-quality land investment

Progress in 2025

- Strengthened land bank and increased sales outlets, supporting growth despite mixed market conditions.
- Average selling price, completions, planning approvals, and forward order book all up year on year driven by quality locations and outlet growth.
- Disciplined investment in land complemented by continued industry-leading planning success, securing new site openings.
- Three-brand strategy and marketing investment further supporting growth, with 11,905 completions in 2025.

Future focus

- Continue disciplined investment in land and planning to expand outlet base.
- Invest in marketing and sales processes to drive growth.
- Monitor market conditions and adapt strategy to maintain momentum.
- Target expansion to 300 outlets in the next 12–24 months.

Link to principal risks

- Macroeconomic volatility and interest rate changes may affect growth.
- Planning system challenges could delay site openings.
- Competition for land and resources.
- Climate change impacts could affect land availability and cost.
- Regulatory changes affecting investment strategy.

» Read more on pages 73 to 76

4 Industry-leading financial performance

Progress in 2025

- Operating profit improved, reflecting disciplined cost control and efficiency gains.
- Revenue from new housing increased to £3.31bn, 20bps improvement in underlying housing operating margin.
- Improved ROCE to 11.7%.
- Cash flow from operating activities supporting investment, fire safety remediation and dividends.

Future focus

- Sustain tight cost controls and efficiency improvements.
- Enhance vertical integration for greater efficiency and supply chain security.
- Explore new opportunities for faster build times and quality enhancements.
- Maintain strong cash flow and financial resilience.
- Deliver high-quality, affordable homes while securing industry-leading returns.

Link to principal risks

- Cost inflation, regulatory changes and new levies impacting sector-wide profitability.
- Market volatility affecting sales and profitability.
- Maintaining financial resilience in uncertain conditions.

» Read more on pages 73 to 76

5 Supporting sustainable communities

Progress in 2025

- Average SAP rating of homes of 89 ('B' EPC rating).
- Placemaking framework delivering high-quality design and green spaces, creating sustainable communities.
- Invested £484m in local communities, and supported c.23,500 jobs across the supply chain.
- Operational waste recycling rate maintained at 98%.
- Continued progress on legacy building remediation, with works completed or started on 77% of developments.

Future focus

- Continue to improve the energy efficiency of our homes, and reduce living costs for customers.
- Deliver our net zero carbon transition plan.
- Invest in local communities through our community champions and outreach programmes.
- Leverage our supply chain engagement to increase sustainability resilience and innovation.
- Enhance biodiversity and green infrastructure in new communities.

Link to principal risks

- Minimise climate risk by reducing carbon emissions from our business activities.
- Supply chain challenges may impact delivery of sustainable technologies.
- Maintaining progress on legacy remediation.

» Read more on pages 73 to 76

Key performance indicators

FINANCIAL

New housing revenue

£3,312m

+16%

Definition

Revenue generated from the legal completion of new homes to our private customers and housing association partners.

Why we measure it

Strength of housing revenue is an important measure of the success of our strategy. Our range of house types and emphasis on quality homes at a range of price points put us in a strong position in our markets.

Links to key priorities

2 3 4

Read more on page 22

Forward sales at 31 December

£1,173m

+2%

Definition

Anticipated revenue for future home sales to private customers and contracts with housing associations that have yet to legally complete.

Why we measure it

Forward sales give us an indication of the level of demand we have for homes going into future periods. This allows us to ensure we are controlling work in progress to meet demand and maintain strong financial discipline.

Links to key priorities

2 3 4

Read more on page 15

Underlying new housing operating margin[1]

14.3%

+20bps

Definition

Based on operating profit before net exceptional charge and goodwill impairment (underlying operating profit) and new housing revenue.

Why we measure it

We have a strong track record of delivering industry-leading returns and we monitor our performance to ensure continued discipline in our approach.

Links to key priorities

2 3 4

Read more on page 22

Underlying profit before tax[2]

£446m

+13%

Definition

Stated before net exceptional charge and goodwill impairment.

Why we measure it

Our disciplined land replacement processes, cost management and efficiency programmes aim to generate superior returns that provide a platform for further investment in the Group's resources to support our future growth.

Links to key priorities

2 3 4

Read more on page 23

Key priorities

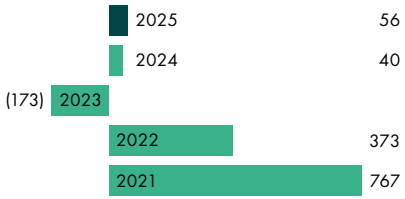
1 Build quality and safety 2 Customers at the heart of our business 3 Disciplined growth: high-quality land investment 4 Industry-leading financial performance 5 Supporting sustainable communities

Read more on pages 16 and 17

Free cash generation

£56m

+£16m



Definition

Net cash flow before financing activities.

Why we measure it

We use this to measure balance sheet strength and liquidity. Ensuring we have an appropriate capital structure to support the business through the cycle is key to our success.

Links to key priorities

2 3 4

Read more on page 24

Net cash

£117m

-£142m

Definition

Cash and cash equivalents, bank overdrafts and interest bearing borrowings.

Why we measure it

Ensuring we have an appropriate capital structure to support the business through the cycle is key to our success.

Links to key priorities

2 3 4

Read more on page 24

Return on average capital employed[3]

11.7%

+60bps

Definition

12-month rolling average calculated on underlying operating profit and total capital employed. Capital employed is the Group's net assets less cash and cash equivalents plus land creditors.

Why we measure it

Our focus on return on average capital employed allows us to measure the efficiency of our use of capital. We will continue our disciplined approach to working capital management to meet market demand.

Links to key priorities

3 4

Read more on page 23

Net assets per share

1,127p

+3%

Definition

Calculated as the total value of the Group's assets minus total liabilities divided by the number of shares in issue.

Why we measure it

Net asset value per share movement is an indicator of the value that we are delivering for our shareholders. We have a good track record of delivering strong returns for our shareholders through the cycle.

Links to key priorities

3 4 5

Read more on page 23

Key performance indicators continued

NON-FINANCIAL

Land holdings

84,879

+3%

Definition

The number of plots we have either owned or under control to support our future home delivery.

Why we measure it

The Group's high-quality land holdings with industry-leading margins are a key strength of the business. By monitoring them we can track our future pipeline of work.

Links to key priorities

3 4 5

Read more on pages 14, 16, 23 and 24

Customer satisfaction score

93.5%

-250bps

Definition

Based on the number of customers who would recommend their builder to a friend in the National New Homes Survey, run by the HBF.

Why we measure it

We put our customers at the heart of our business and ensuring they are satisfied is key to the Group's success. We were delighted to be awarded HBF five-star builder status again in 2025. From 2026, we will report on the HBF's combined score which is the new measure for benchmarking housebuilder star ratings.

Links to key priorities

1 2 4 5

Read more on pages 15, 16 and 52

Quality

91.4%

-210bps

Definition

Based on how satisfied customers are with the quality of their new home in the National New Homes Survey, run by the HBF.

Why we measure it

Our ethos is to 'build right, first time, every time'. Monitoring our performance is key to building consistently high-quality homes for our customers.

Links to key priorities

1 2 4 5

Read more on pages 15 and 16

Number of work-related incidents ('RIDDORs')

3.8

+1.6%

Definition

Reportable accidents, RIDDORs, reported per 1,000 workers in our housebuilding operations (including, where relevant, those reported by our subcontractors).

Why we measure it

The safety of our employees, subcontractors and customers is the number one priority for our business.

Links to key priorities

1 2 4 5

Read more on pages 45 to 47

Key priorities

1 Build quality and safety 2 Customers at the heart of our business 3 Disciplined growth: high-quality land investment 4 Industry-leading financial performance 5 Supporting sustainable communities

Read more on pages 16 and 17

Absolute Scope 1 and 2 carbon emissions (tonnes CO_2e market based)

16,938

Definition

The amount of carbon we emit from using energy in our own activities including offices, manufacturing businesses, construction sites and business travel. Energy sources include diesel, petrol, LPG, kerosene, gas and electricity.

Why we measure it

We are committed to reducing our carbon emissions, ensuring we meet our approved science-based targets, and contribute to achieving the Government's long-term net zero carbon goal.

Links to key priorities

2 4 5

Read more on pages 30 to 39

1. Based on new housing revenue (2025: £3,312.0m; 2024: £2,863.3m) and underlying operating profit (2025: £472.1m; 2024: £405.2m) stated before net exceptional charge (2025: £44.9m; 2024: £34.4m) and goodwill impairment (2025: £3.4m; 2024: £1.6m).
2. Stated before net exceptional charge (2025: £44.9m; 2024: £34.4m) and goodwill impairment (2025: £3.4m; 2024: £1.6m). Profit before tax after net exceptional charge and goodwill impairment is £397.3m (2024: £359.1m).
3. 12-month rolling average calculated on underlying operating profit and total capital employed (including land creditors). Underlying operating profit is stated before net exceptional charge (2025: £44.9m; 2024: £34.4m) and goodwill impairment (2025: £3.4m; 2024: £1.6m).

NEW BUILD BOOST HELPS COUPLE BUY THEIR FIRST HOME

Katy and Chris Marshall's journey illustrates the transformative impact of Persimmon's New Build Boost product. After years of instability and 14 moves due to rising rents and insecure tenancies, the couple discovered Persimmon's scheme while searching for a new build home. The interest-free equity loan enabled them to purchase a two-bedroom house in Selsey with a manageable deposit and fixed payments, providing long-term security. Persimmon's innovative product not only helped the Marshalls escape the rental cycle, but also offered peace of mind and a stable future for their family, demonstrating the real-world value of tailored homebuying solutions.

Financial review

DISCIPLINED INVESTMENT DRIVING GROWTH

The Group's Capital Allocation Policy is to invest in future growth through disciplined expansion of our land portfolio while maintaining a strong balance sheet and delivering sustainable returns to shareholders.

Andrew Duxbury
Chief Financial Officer

The Group generated total revenue[1] of £3.75bn (2024: £3.20bn), with new housing revenue up 16% at £3.31bn (2024: £2.86bn).

In total, the Group delivered 11,905 new homes in 2025, up 12% on the prior year (2024: 10,664), at a blended average selling price up 4% at £278,203 (2024: £268,499).

Of these, 9,830 homes were delivered to private customers, an increase of 8% on last year (2024: 9,075) and representing 83% of total completions (2024: 85%). The private average selling price of £301,392 was up 5% on the prior year (2024: £287,162) reflecting an increase in delivery from Charles Church and the strength of the market in some of our regions, partially offset by an increase in the number of plots sold to investors. During the year, we completed the sale of 1,758 homes to investors, up 21% from the 1,456 delivered last year. Our ongoing focus on strengthening strategic partnerships has contributed to growth in this key market segment. As some of our partners delayed investment decisions ahead of the November Budget, our forward BTR order book was reduced coming into 2026. We remain confident that investor sales will continue to be an important market for Persimmon.

The Group delivered 2,075 new homes to housing associations, up 31% on the prior year with particularly strong delivery in the fourth quarter (2024: 1,589). As a result, we would expect a similar number of homes to be delivered in 2026 with over 80% of 2026 delivery already secured. The average selling price of £168,347, was 4% higher than the prior year (2024: £161,916), reflecting the geographic mix and size of properties.

The Group's performance continues to be supported by our high-quality land portfolio, with land cost recoveries[2] of 11.5% of new housing revenue for the year (2024: 11.9%). This decrease in the year reflects the mix of completions.

The Group's underlying gross profit[3] for the year increased by 13% to £656.3m (2024: £582.4m). The Group's reported gross profit for the year is £616.5m (2024: £580.4m) after exceptional items, as described below. Our underlying gross margin[3] reduced to 19.8% (2024: 20.3%), partly reflecting the higher proportion of BTR and housing association completions within the year and the impact of embedded build cost inflation.

The Group has maintained its focus on cost control and with the benefit of greater volume delivery has been able to increase its operating margin in the year. Underlying operating profit[4] for the Group increased 17% to £472.1m (2024: £405.2m), generating an underlying operating margin[4] of 14.3% (2024: 14.1%). On a reported basis, operating profit increased 15% to £423.8m (2024: £369.2m) including the net exceptional charge described below.

In August we sold FibreNest, our non-core broadband service, to BUUK Infrastructure. This allowed us to use the proceeds to invest further in our growth strategy as set out in March 2025 and eliminates the requirement for further investment in FibreNest. Under BUUK's ownership, FibreNest will offer improved choice for customers, with access to up to 18 internet service providers.

The Group has reported a net exceptional charge of £44.9m (2024: £34.4m). This comprises a net exceptional charge within gross profit of £39.8m (2024: £2.0m), relating to anticipated costs for the removal of combustible cladding and other building safety remediation works (see below). Additionally, a further exceptional charge of £5.1m has been recognised within operating profit, reflecting Persimmon's £15.2m voluntary contribution to the Government's affordable homes programme following the closure of the CMA investigation (see below) and associated fees of £1.0m, partially offset by the £11.1m profit realised from the disposal of FibreNest. These items are classified as exceptional due to their non-recurring nature. Further details can be found in note 6 to the financial statements.

Net finance cost for the year was £26.5m (2024: £10.1m) being a result of lower average cash balances, increased utilisation of our £700m Revolving Credit Facility, £12.0m of imputed interest payable on land creditors (2024: £3.8m) and £7.0m of imputed interest payable on the legacy buildings provision (2024: £7.4m).

The Group generated an underlying profit before tax[4] of £445.6m (2024: £395.1m), and a reported profit before tax of £397.3m (2024: £359.1m).

The Group has an overall tax charge of £111.6m for the year (2024: £92.0m) and an effective tax rate of 28.1% (2024: 25.6%), marginally lower than the standard rate of 29% (including both corporation tax and the Residential Property Developers Tax) (2024: 29.0%).

Underlying basic earnings per share[4] for the year was 100.7p, 9% higher than the prior year (2024: 92.1p). Reported basic earnings per share was 7% higher than last year at 89.3p (2024: 83.6p).

Underlying return on average capital employed ('ROCE') including land creditors was 11.7%[5], 60bps higher than the prior year (2024: 11.1%), reflecting the increase in underlying operating profit[4] in the year. ROCE excluding land creditors was 13.1%[5] compared with 12.2% at 31 December 2024. On a statutory basis, ROCE including land creditors was 10.5%[5] (2024: 10.1%).

Building safety

The Group has committed to make progress on its building safety remediation programme, as well as investing in future building quality. Our proactive work has been recognised through our status as a Building a Safer Future Charter Champion.

Across our Legacy Building Programme, we continue our proactive approach of working with management companies, factors (in Scotland) and their agents to carry out necessary remediation as soon as possible.

Of the total of 87 developments in our programme, 43 (49%) have already had any necessary works completed. Of the remaining 44 developments, 24 currently have work on site and 20 are at varying stages of pre-tender, live tender, progressing to contract or agreed contract and works starting very soon.

As we actively progress the programme, the number of developments at or before the tender stage has reduced to eight. With over 90% of developments fully tendered, this gives some reassurance over our future cost estimates. The number of developments on site or completed has increased 10% to 67. For further information please see note 23.

During the year, the provision has been increased by £39.8m, following a review of the projected costs to complete rectification work, along with the identification of four additional developments requiring remediation, offset by works assumed by, or recoveries secured from, historical subcontractors. We continue to pursue cost recoveries from third parties. Due to the non-recurring nature of these changes, they have been disclosed as exceptional items to support the understanding of financial performance and improve the comparability between reporting periods.

We utilised £56.1m of the provision in the year, with total aggregate expenditure now over £175m, whilst a further £7.0m of imputed interest was charged to the Income Statement through finance costs. The remaining provision at 31 December 2025 was £226.0m, a £9.3m reduction on the position as at 31 December 2024. The next 18 to 24 months are projected to be the peak period of cash expenditure on this programme.

Competition and Markets Authority ('CMA')

On 9 July 2025, the CMA announced its intention to close its investigation on whether Persimmon, along with six other UK housebuilders, had exchanged competitively sensitive information, accepting voluntary commitments from all parties. The CMA has not made any findings that Persimmon Plc and its group companies has infringed UK competition law and the voluntary commitments offered do not constitute an admission of any wrongdoing. As part of these commitments, Persimmon made an ex-gratia financial contribution of £15.2m to the Government's Affordable Homes Programme in January 2026. This has been accounted for in the period as an exceptional cost.

Balance sheet

Total equity increased by £0.1bn to £3.61bn at 31 December 2025 (2024: £3.51bn). This is after returning £192.1m of capital to shareholders through a final dividend of 40p per share in respect of the 2024 financial year and an interim dividend of 20p per share for the 2025 financial year. Retained earnings increased to £3.04bn (2024: £2.94bn). Reported net assets per share of 1,127p represents a 3% increase from 1,096p at 31 December 2024.

Land holdings

A core strength of the business remains its disciplined approach to land replacement. Over the last three years we have maintained our selective land purchase strategy, positioning us well for the future as we look to grow our outlet position. At 31 December 2025, we had 277 outlets, 3% higher than 31 December 2024, and remain on track to increase outlets in 2026 as we position the business for further growth.

At 31 December 2025, the carrying value of the Group's land assets increased by 14% to £2.59bn (2024: £2.27bn), reflecting continued investment in the Group's future and our ongoing focus on converting owned land with outline planning permissions to implementable consents. The Group's land cost recoveries for the year of 11.5%[2] of new housing revenue is 40bps lower than the prior year, reflecting the mix of completions in the year, and remains an excellent position.

During the year, the Group brought 16,309 plots into its owned and under control land holdings across 71 locations throughout the country, equivalent to a replacement rate of 137%. 1,639 plots were converted from our strategic land portfolio, which continues to be a strength for the business. In August 2025, we bought a Midlands-based land promoter, Lone Star Land, further strengthening our strategic land capabilities. Further detail is provided in note 7.

At the end of the year, the Group had owned and under control land holdings of 84,879 (2024: 82,084) representing approximately seven years of forward supply at 2025 volumes. Owned plots totalled 70,236 (2024: 69,189) of which 40,215 have a detailed implementable planning consent, providing excellent visibility (2024: 40,430). The Group's owned land holdings represent approximately six years of forward supply at 2025 volumes, with an overall pro-forma site gross margin[6] of c.28% (2024: c.29%), slightly lower year on year, partly due to fewer conversions from high-margin strategic land in the period. The land cost to revenue ratio within the owned land bank of 12.8%[7] (2024: 11.9%) reflects both the lower conversion from strategic land, the purchase of more serviced land in the period, where infrastructure costs (reflected in build costs) are expected to be lower and weighting towards land purchases in the south.

Capital allocation

Strong balance sheet and low leverage
Maintain a strong balance sheet through the cycle and prioritise building remediation works

Investment in growth and capabilities
Investment in new and existing sites to continue outlet growth
M&A only where it meets strict financial criteria

Sustainable ordinary dividend
Well covered by profits over the cycle

Return any excess capital to shareholders
Special dividend or share buybacks

Financial review continued

Land holdings continued

We have made some excellent additions to our owned land bank during the period, and together with our controlled and strategic land pipeline, we remain confident in our ability to deliver our medium-term growth targets.

In addition to its owned plots, the Group controls 14,643 plots (2024: 12,895) through exchanged contracts. These contracts to acquire the site will be completed once all outstanding unfulfilled planning conditions have been satisfied. Cash invested in these under control plots is limited to deposits paid on the exchange of contracts and fees associated with progressing the sites through the planning system. During the year, the Group secured detailed or reserved matters planning for 12,815 plots (2024: 13,064).

The Group incurred net land spend of £541.3m during 2025 (2024: £437.0m), including £211.2m of payments in satisfaction of deferred land commitments (2024: £210.6m).

In 2025, the Group acquired interests in a further c.10,000 potential plots of strategic land opportunities resulting in a total of over 77,000 plots at 31 December 2025 (2024: c.70,000 plots). This will provide a long-term supply of forward plots for future development by the Group.

Work in progress

At 31 December 2025, the Group had work in progress of 4,114 equivalent units of new homes under construction, 12% higher than the position we entered the year with (2024: 3,684) as we position the business for further growth in 2026. On average, overall weekly build rates tracked 22% higher in the year, with an average of 245 equivalent units of build per week, compared to 201 per week in 2024.

Our work in progress investment at 31 December 2025 of £1.63bn was up 15% on the prior year (2024: £1.43bn). This reflects the anticipated growth in completions and investment in expanding our outlet base in 2026, along with accelerating our build programmes to drive continued high standards of quality and customer service.

As at 31 December 2025, we owned 894 part exchange properties (2024: 739 properties) at a value of £198.8m (2024: £154.4m). Part exchange continues to be a key sales incentive for our customers, and we are progressing sales of part exchange properties promptly at around expected values.

Cash generation and liquidity

During the year, we continued our targeted investment into the business to enhance quality, efficiency and returns as we build a more sustainable business and position for further growth. Our long-standing financial discipline will continue to maintain our robust balance sheet.

At 31 December 2025, the Group had a cash balance of £117.0m (2024: £258.6m) with land creditors of £623.4m (2024: £423.2m), of which c.£355m are expected to be settled during 2026. This increase in land creditors is in line with our strategy to increase our outlet base as we continue to target reaching over 300 outlets.

The Group generated £487.9m of cash from operating activities in the year (2024: £419.6m), before investing £349.4m in working capital (including a £590.1m increase in inventories offset by a £321.4m increase in trade and other payables), the net receipt of £68.1m in relation to the disposal of FibreNest and returning £192.1m of capital to shareholders through dividend payments (2024: £191.8m).

The Group's shared equity loans have generated £4.0m of cash in the year (2024: £4.6m). The carrying value of these outstanding shared equity loans, reported as 'shared equity loan receivables', is £25.7m at 31 December 2025 (2024: £29.0m).

On 26 January 2026, the Group agreed an increase to its secured funding arrangements with the syndicate of partnership banks. The Group's existing syndicated facility of £700m committed to July 2030 was expanded to £750m and an additional fixed term facility of £250m was agreed to 31 January 2028, giving an increased total secured funding level of £1bn, supporting the continued investment programme over the coming years. The extra facilities will allow the Group to prudently manage growth at this stage of the cycle, while maintaining ample headroom.

The Group's defined benefit pension asset is in line with last year at £130.7m at 31 December 2025 (2024: £130.7m).

Capital allocation

The Group is creating value by investing in growth. The Group's Capital Allocation Policy is to invest in future growth through disciplined expansion of our land portfolio while maintaining a strong balance sheet and delivering sustainable returns to shareholders.

For 2025, the Board proposes a final dividend of 40p per share to be paid on 10 July 2026 to shareholders on the register on 19 June 2026, following shareholder approval at the AGM. This dividend is in addition to the interim dividend of 20p per share paid on 7 November 2025 to shareholders on the register on 17 October 2025 to give a total dividend of 60p per share in respect of the financial year 2025 (2024: 60p).

As we deliver on our medium-term growth ambitions, coupled with further progress on our Building Safety Remediation Programme, we anticipate increasing our returns to shareholders.

2026 outlook

The strong desire for home ownership, together with our strategic investments, positions us well to deliver sustainable growth and shareholder returns.

Our current private forward sales position stands at £1.25bn, a 9% increase year on year (2024: £1.15bn). With this progress in our forward order book, we are targeting 12,000-12,500 completions for 2026 assuming stable market conditions. We are conscious of geo-political uncertainty and are monitoring the impact this could have on our markets. Benefiting from our improved operational capabilities and disciplined investment in our land holdings, we aim to achieve further growth in profit and returns. We expect underlying operating profit to be towards the upper end of the current market consensus range[8] and, with increased financing costs reflecting our investment for growth, underlying profit before tax is expected to be in line with current market expectations[8].

The next two years are expected to see peak expenditure on our building safety remediation programme, with approximately £100m anticipated to be spent in 2026. Our net cash position at the end of 2026 is currently forecast to be between £100m net debt and £100m net cash, reflecting our ongoing investment for growth.

Andrew Duxbury
Chief Financial Officer
9 March 2026

1. The Group's total revenues include the fair value of consideration received or receivable on the sale of part exchange properties, planning promotion contracts and income from the provision of broadband internet services. New housing revenues are the revenues generated on the sale of newly built residential properties only.
2. Land cost value for the plot divided by the revenue of the new home sold.
3. Underlying gross profit stated before a net exceptional charge of £39.8m (2024: £2.0m) and margin based on new housing revenue (2025: £3.31bn; 2024: £2.86bn).
4. Underlying measures stated before a net exceptional charge of £44.9m (2024: £34.4m), and goodwill impairment (2025: £3.4m; 2024: £1.6m) and margin based on new housing revenue (2025: £3.31bn; 2024: £2.86bn).
5. 12-month rolling ROCE calculated on underlying operating profit and total capital employed. Capital employed being the Group's net assets less cash and cash equivalents plus land creditors. ROCE excluding land creditors is calculated on capital employed being the Group's net assets less cash and cash equivalents excluding land creditors. Statutory ROCE including land creditors is calculated on reported operating profit and capital employed with capital employed being the Group's net assets less cash and cash equivalents plus land creditors.
6. Estimated weighted average site gross margin based on assumed revenues and costs at 31 December 2025 and normalised output levels.
7. Land cost value for the plot divided by the anticipated future revenue of the new home sold.
8. Company compiled full year 2026 consensus of 12,136 homes, an underlying operating profit range of £486m to £517m and underlying profit before tax mean of £470m.

Our people

SUPPORTING OUR WORKFORCE

At Persimmon, our people remain the cornerstone of our success. Their dedication, talent and hard work drive our commitment to delivering high-quality homes and exceptional customer service. As we look back on 2025, we are proud to have built on the strong foundations laid in previous years, further strengthening our culture of pride, inclusion and opportunity.

Our approach to people management is structured around the full employee lifecycle – attraction, onboarding, development, reward, progression, retention and exit – ensuring a consistent, connected experience that reflects our commitment to safety, wellbeing, clarity and opportunity at every stage.

Culture and talent

Our unique business culture continues to foster pride and happiness among our talented employees. This culture, combined with our people, is a key driver of our industry-leading performance. In 2025, we continued to attract, retain and develop top talent through comprehensive training programmes, robust succession planning and a deep commitment to diversity and inclusion.

Employee survey results reinforce this strength, with 89% of colleagues saying they know what they need to do to be successful in their roles, and 87% understanding how their work contributes to Persimmon's goals. This clarity and sense of purpose are fundamental to our culture.

This year, we launched a mentoring scheme connecting over 100 colleagues – including Executive members – with mentors and mentees, fostering growth and knowledge sharing across the business. Our refreshed Performance Development Review model has enabled more meaningful career conversations, while targeted secondments and stretch projects, such as our AI working group, have opened new pathways for development.

Chantelle Muir's achievement as the first female bricklayer to reach the SkillsBuild national final and achieving a strong second place is a powerful testament to the quality and impact of Persimmon's apprenticeship programme. Her success reflects the effectiveness of our training, mentoring and on-site development, and highlights our commitment to developing skilled, confident professionals who are shaping the future of the industry.

Our Advanced Management Programme and Leadership Development Programme continue to deliver results, with 46% of participants promoted, including female leaders in senior roles. We are proud to see our internal talent stepping into key positions, supported by structured learning and leadership opportunities.

Our Management Development Training Programme ('MDP') was shortlisted for the Housebuilder Awards 2025 in the 'Best Training Initiative' category.

In addition, employees report strong confidence in leadership, with 79% expressing favourable views of local leadership – 19 points above the UK Construction and Heavy Industry benchmark.

Chantelle Muir – Bricklaying Apprentice – West Scotland.

Our people continued

Training and development

We continue to invest in the growth and development of our people across all areas of the business. In 2025, our in-house training team delivered a wide range of programmes, including digital learning, wellbeing initiatives and customer-focused development.

Ongoing digitisation of our training offer has enhanced the learning experience, providing flexible, role-relevant access to high-quality eLearning that supports performance and long-term development.

During the year, we launched the **Customer Care Academy**, a structured programme for customer care advisors and managers, incorporating an **ICS accredited qualification** and a Service Improvement Plan to ensure learning is applied directly to service delivery.

We also introduced our **Trainee Assistant Site Manager ('TASM')** Programme, providing a practical, experience-based pathway for experienced site operatives to progress into site management roles through targeted training and mentoring.

Number of training days delivered

c.15,900

Number of Mental Health First Aiders

299

(2024: 270)

98%

of our staff would recommend Persimmon training to colleagues

46%

of staff undertaking our AMP and LDP management programmes have been promoted

Our apprenticeship and graduate programmes remain a cornerstone of our workforce strategy. In 2025, we welcomed our fifth cohort of graduate trainees, with 40% of trainees female. During 2025, we supported 345 apprentices across the Group, working in close partnership with colleges, professional bodies and key supply chain partners. Our apprenticeship levy utilisation exceeded 80%, demonstrating our continued commitment to investing in future ready talent and building a sustainable skills pipeline for the business.

Feedback from our employee survey shows clear recognition of this commitment, with 76% of colleagues reporting they receive useful feedback on performance and 77% feeling part of a team – demonstrating the positive impact of structured learning and capability development.

We are genuinely guided by a strong commitment to doing the right thing — even when it's difficult. At our core, we value asking tough questions and embracing complexity, all within an environment that remains deeply people-focused.

Employee Engagement Survey

Diversity and inclusion

We are committed to fostering an environment where everyone feels valued and respected. This year, female representation increased to 31%, with 34% of senior roles now held by women. Ethnic minority representation rose to 5%, reflecting our focused recruitment and development efforts.

New network groups, including the Carers' Network, and initiatives like 'Persimmon People' and our Religion and Culture Group, are helping to build a culture of belonging.

Our bespoke mentoring intervention is providing support for up-and-coming female and ethnic minority colleagues, while enhanced data tracking and disability support programmes ensure we continue to make progress on our diversity and inclusion goals.

Employee voice from the Engagement Survey reinforces that colleagues see Persimmon as 'a company undergoing positive transformation', with particular appreciation for improvements in communication, culture and people-focused initiatives.

Employee engagement and wellbeing

We provide an exceptional employee experience. In 2025, our engagement score reached 70%, 7% ahead of the external benchmark, and 79% of colleagues would recommend Persimmon as a great place to work. Labour turnover reduced from 24% in 2024 to 23% in 2025, and 84% of colleagues agree Persimmon is positioned to succeed over the next three years.

The wellbeing of our colleagues is a top priority. We launched a Group Wellbeing Hub and a Wellbeing Charter, providing a single front door to support and resources. Over 180 Mental Health First Aiders have been trained, and our new Absence Policy has contributed to an 18% reduction in sickness absence.

Colleagues highlighted Persimmon's focus on wellbeing as a major strength, with 84% saying their manager genuinely cares about their wellbeing and commentary emphasising the Company's focus on employee wellbeing.

Wellbeing training for managers and role-based support are now embedded across the business.

Recognition and rewards

Recognising and rewarding our people is central to our culture. In 2025, we introduced new sales incentive schemes, a Buy Holiday Scheme and a Wellbeing Charter, alongside long service awards and the launch of our Carers' Network. Our intranet now features more people stories, celebrating achievements and promoting Persimmon as an employer of choice. We have also enhanced our careers landing page and developed targeted campaigns to attract diverse talent.

Looking ahead

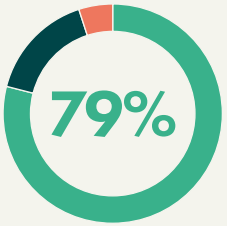
As we move into 2026, we remain focused on expanding talent and succession planning, enhancing diversity and inclusion, embedding wellbeing initiatives and driving employee engagement and rewards. We will be expanding our academy offering with the launch of our Sales Academy and the development of standardised training programmes for our Technical and Commercial teams. We will also introduce initiatives that strengthen our own apprenticeship provision while providing structured support for apprenticeships across our supply chain partners.

By investing in our people and fostering a culture of opportunity and belonging, we are building a resilient, inclusive and high-performing workforce ready to support Persimmon's long-term growth and success.

Our overall engagement score

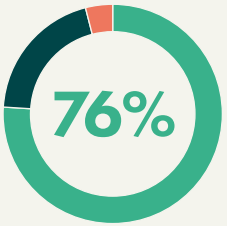
70%

▲ **7** vs. benchmark



I would recommend Persimmon as a great place to work

▲ **8** vs. benchmark
▲ **5** vs. 2024
▲ **5** vs. 2023



I am proud to work for Persimmon

▼ **1** vs. benchmark
▲ **3** vs. 2024
▲ **3** vs. 2023

Key

Positive Neutral Negative

Sustainability

SUSTAINABILITY STRATEGY

Our three sustainability pillars enable us to focus on driving our strategic performance and are aligned with the Group's key priorities, ensuring sustainability is a core part of the Group's operations.

We align our Sustainability Strategy with the UN Sustainable Development Goals

We understand our material issues and align our strategy and priorities to the Sustainable Development Goals ('SDGs').

BUILDING FOR TOMORROW

We will reduce our environmental impacts and achieve net zero carbon reductions aligned with science-based targets in both the near and long term.

By minimising our environmental impact, we can also benefit from increased efficiencies throughout our supply chain and operations. We focus on not only operational environmental impact, but also the benefit that improved sustainability can bring to our customers through their homes and communities.

Key priorities

- We are committed to reducing carbon emissions from our operations and across our value chain and have developed our net zero pathway to 2045.
- We aim to reduce absolute operational carbon emissions by 46% by 2030.
- We aim to achieve zero carbon ready homes in use by 2030.
- We aim to have 50% of our homes built using timber frames from our off-site manufacturing facilities in the medium term.

» Read more on pages 30 to 40

TRANSFORMING COMMUNITIES

We will positively transform the communities directly connected to Persimmon's activities.

Creating sustainable places for our customers is at the heart of what we do. Our Placemaking Framework guides all our developments and ensures we create lasting, sustainable communities with great design, the right house types and valued green open spaces.

We make a positive local impact when building new homes, meeting stakeholder expectations and engaging with residents.

Key priorities

- We are committed to maintaining an HBF five-star rating for our customer satisfaction.
- We are committed to delivering high-quality homes. Our NHBC Reportable Items was 0.29 for the year ended 31 December 2025.
- We are committed to delivering at least a 10% Biodiversity Net Gain on all new developments.
- We have signed up to the Future Homes Hub Homes for Nature Commitment to support the protection of endangered species and provide homes for wildlife.
- We have specific and measurable commitments on every site to leave a positive and lasting legacy for the communities in which we operate.

» Read more on pages 41 to 44

SAFE AND INCLUSIVE

We have a safe and inclusive culture focused on the wellbeing of our customers, communities and workforce.

Recruiting and retaining the right people means we deliver our key priorities and provide excellent customer service.

It is a priority that our processes meet stringent standards to ensure safety and wellbeing. In 2025, we continued to drive our Target Zero initiative, a bespoke safety excellence commitment.

Key priorities

- We will report our Annual Incidence Injury Rate and will aim to improve it year on year.
- We will use our Target Zero initiative to work towards zero incidents.
- We aim to increase diversity across our business and create an inclusive workplace.
- We are committed to being a Living Wage Foundation-accredited employer.
- We will continue to apply ethical standards and expect our supply chain to comply with similar standards.

» Read more on pages 45 to 49

SUSTAINABILITY HIGHLIGHTS

Carbon Disclosure Project ('CDP') Score

A-

2024: A-

Community Champion donations

c.£1.1m

2024: c.£900k

Tonnes of greenhouse gas emissions per home sold

1.42

2024: 1.90

Trees planted on our developments

c.215k

2024: c.146k

Average SAP rating of our homes

89

2024: 86

Operational waste recycled

98%

2024: 98%

Investment in local communities over the last five years[1]

c.£2.3bn

2024: £2.2bn

Public open spaces and gardens provided for families

541 acres

2024: 484 acres

Affordable homes[2]

2,339

2024: 1,763

Low-carbon heating solutions installed instead of gas boilers

c.1,328

2024: 671

1. Estimated using an economic tool kit.
2. Homes provided to our housing association partners and discounted open market value homes.

Sustainability continued

BUILDING FOR TOMORROW

In this pillar:

- 1 **PROGRESSING TOWARDS NET ZERO**
- 1a **PROGRESSING TOWARDS NET ZERO HOMES**
- 1b **PROGRESSING TOWARDS NET ZERO CARBON OPERATIONS**
- 1c **PROGRESSING TOWARDS NET ZERO SCOPE 3 EMISSIONS**
- 2 **GREENHOUSE GAS REPORTING**
- 3 **CREATING A RESPONSIBLE SUPPLY CHAIN**

The average standard assessment procedure ('SAP') rating of our new homes

89

equating to an EPC 'B' rating

Average dwelling emission rate of our homes ($kgCO_2e/m^2/yr$)*

11.78

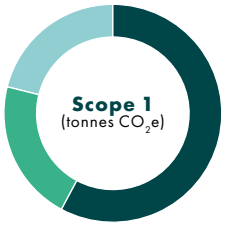
1 PROGRESSING TOWARDS NET ZERO

Reducing carbon emissions to help limit global warming is a key business priority. We have developed a decarbonisation pathway to deliver carbon reductions over the near and long term, aligned to ensuring that global warming remains below 1.5°C.

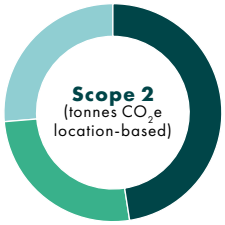
During 2025, we continued to optimise our reduction strategies with a focus on reducing carbon emissions from our operations, increasing energy efficiency in our homes, and furthering our understanding of the carbon emissions from our supply chain. As a homebuilder, our Scope 3 emissions make up the majority (c.99%) of the emissions that we generate. See our carbon reporting methodology for more information.

Our 2030 near-term carbon reduction targets have been approved by the Science Based Targets initiative ('SBTi'), and we have committed to setting long-term net zero carbon targets for 2045. These are challenging targets requiring product innovation, supply chain engagement and changes to current operational processes.

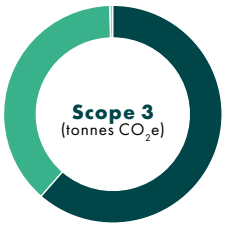
* The average dwelling emission rate has been externally assured to a limited level of assurance by Ernst & Young LLP (see www.persimmonhomes.com/corporate/sustainability).



Fuels	**9,629**
Business travel	**3,513**
Gas	**3,512**



Sites inc. plots	**1,313**
Manufacturing and FibreNest	**722**
Offices and business travel	**727**



Purchased goods and services	**1,102,711**
Use of sold products	**684,741**
Employee commuting	**8,532**

Our carbon reduction targets

Near-term targets (2030) – approved by the SBTi

To reduce absolute carbon emissions from our operations (Scope 1 & 2) by

46.2%

by 2030 (2019 baseline)

To reduce carbon emissions from our indirect operations by at least

22% per m^2 completed floor area

i.e. those from our homes in use and our supply chain, known as Scope 3, by 2030 (2019 baseline)

Long-term targets (2045) – commitment made to the SBTi

To become a net zero carbon business across all our operations and value chain by 2045. This will require a reduction in emissions of at least

c.90%

with the remaining 10% offset or neutralised through a suitable mechanism. A commitment has been made and the exact targets are under development

Our decarbonisation pathway

We have developed our decarbonisation pathway to achieve net zero carbon across our operations and our value chain by 2045. We are closely aligned with the recommendations of the Transition Plan Taskforce ('TPT') and with the sector Net Zero Transition Plan developed by the Future Home Hub ('FHH') as a framework for the new homes sector, and we continue to work closely with the FHH on its evolution.

We already have near-term science-based carbon reduction targets in place, which have been approved by the SBTi, and we have committed to long-term net zero carbon targets aligned to the SBTi standards.

We have identified key decarbonisation levers that provide the most material reductions with current known technologies and are in line with other key sector decarbonisation pathways.

The main areas of reduction opportunity are:

1. **Reducing our Scope 1 and 2 emissions** – These account for a small percentage of our total emissions, but they are under our direct control, and so this is a key area of focus.
2. **Reducing in-use emissions from completed homes** – We are committed to producing zero carbon ready homes by 2030. The decarbonisation of the grid by 2035 is a key enabler for reducing carbon emissions.
3. **Reducing the embodied carbon of materials** – This is a complex area across multiple supply chains, and we are engaging with our supply chain partners. Our vertical integration strategy, with the use of our own timber frames, concrete bricks and tiles, is a key contributor to reducing our carbon emissions.

Long-term carbon reductions require significant assumptions on the achievement of decarbonisation of key carbon-intensive sectors such as cement, asphalt steel and bricks, on which the construction sector is dependent. These sectors have mostly made commitments to NZC targets and are investing in innovation and technology. We will review and update our decarbonisation pathway regularly as new information becomes available and key sectors evolve their transition plans.

We have a strong relationship with our supply chain and, collectively, the sector is developing common tools and methodologies to ensure comparability in carbon data, including EPDs and LCAs, and to support decision making. We are an active member of the Future Homes Hub and are a member of the Embodied Carbon/Whole Life Carbon Working Group.

The following tables on pages 32 to 34 summarise our decarbonisation pathway actions as we transition towards net zero carbon emissions.

Emissions from electricity use
Reduce as the grid decarbonises.

Emissions from natural gas use
Phases out of natural gas, in line with the Future Homes Standard.

Scope 1 and 2 emissions from onsite operations
Decarbonisation strategies such as fuel switching and compound energy savings.

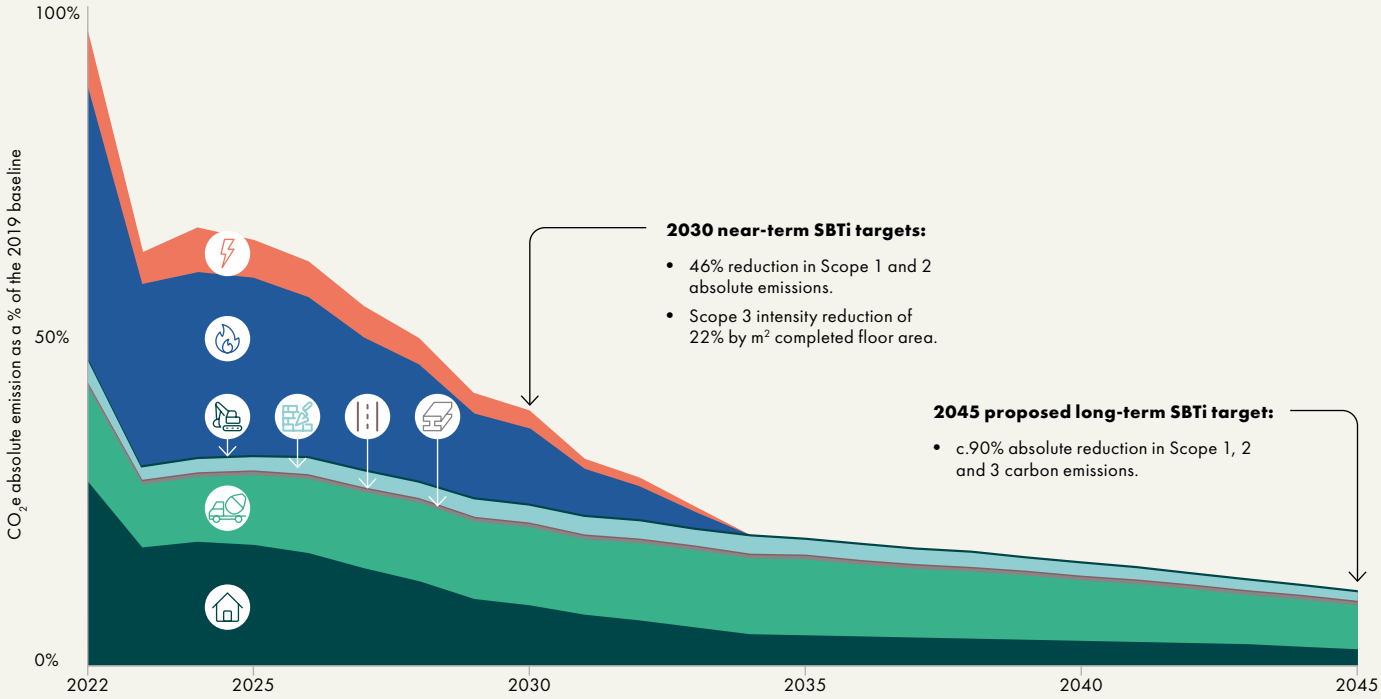
Scope 3 emissions from bricks
Use of low-carbon cements and alternatives in brick manufacture.

Scope 3 emissions from asphalt
Use of low-carbon alternative materials and methods.

Scope 3 emissions from MMC and steel
Increased use of MMC and low-carbon steel.

Scope 3 emissions from concrete
Increased use of low-carbon cements and alternative materials.

Remaining emissions In the next 10-20 years, new decarbonisation levers will become available to further reduce emissions. Persimmon will also explore offsetting emissions through a suitable mechanism.



Sustainability continued

BUILDING FOR TOMORROW CONTINUED

1 **PROGRESSING TOWARDS NET ZERO** CONTINUED

Our decarbonisation pathway continued

Reducing our operational carbon emissions (Scope 1 and 2 emissions)

	From 2022–2026	By 2030	By 2040–2050
Our carbon reduction targets	29% reduction in absolute carbon emissions (from 2019 baseline)	46% reduction in absolute carbon emissions (from a 2019 baseline)	Achieve net zero absolute carbon emissions by 2045 (expected to be c. 90% reduction)
Our priority actions (already underway and planned)	100% REGO-backed electricity purchased for our offices, sites, manufacturing facilities and supplies to our plots whilst under our ownership	100% REGO-backed electricity purchased for our offices, sites, manufacturing facilities and supplies to our plots whilst under our ownership	100% eco site cabins with diesel-free hybrid generators
	Efficiency-first strategy – reduction in diesel use	Up to 90% switch to hybrid generators	Construction plant all-electric or hydrogen
	Hybrid generators on all sites where appropriate	Eco cabin replacement programme underway	100% EV car fleet
	Energy-efficient cabin strategy in place	c.80% of car fleet EV	
	Achieve 40% car fleet EV or hybrid	Option to use green/HVO diesel replacement	
	HVO trial underway	Introduce electric/hydrogen construction plant vehicles in use	
External enablers	• Grid decarbonisation trajectory maintained and sufficient electricity grid capacity • Sustainable HVO or green diesel alternatives available • FHS in place requiring low-carbon homes	• Grid decarbonisation on track for 100% by 2035 • Industry availability of electric or hydrogen construction plant	• 100% green electricity from grid

Key: Targets in place Targets awaiting approval Actions complete Actions underway Actions planned

Reducing in-use emissions from completed homes (Scope 3 emissions)

	From 2022–2026	By 2030	By 2040–2050
Our carbon reduction targets	FHS Readiness Plan in place	Achieve zero carbon ready homes in use by 2030	Achieve net zero carbon emissions across our value chain by 2045 (expected to be c. 90% reduction)
		Achieve a carbon reduction of at least 22% per m^2 completed floor area by 2030 (vs. 2019 baseline)	
Our priority actions (already underway and planned)	Energy transition plans in place for all developments	In line with the FHS, all homes to achieve a reduction in carbon emission of 75%-80%	Increased thermal efficiency
	Part L 2021 homes designed with a 'fabric first' approach to maximise energy efficiency		
	New house type designs already in place in readiness for FHS introduction		
	Smart home technology trials underway		
	12-month real-life trial of zero carbon home at Germany Beck undertaken		
	Zero carbon house at Malmesbury built		
	Increase use of timber frames for improved energy efficiency		
	c.1,135 ASHPs installed by the end of 2025		
External enablers	• Availability of ASHPs and sufficient qualified installers • Grid decarbonisation trajectory maintained and sufficient electricity grid capacity • Lenders recognise the increased value of more energy-efficient homes and this is reflected in mortgage offers	• Grid decarbonisation on track for 100% by 2035 • Gas in new homes banned through FHS	

Key: Targets in place Targets awaiting approval Actions complete Actions underway Actions planned

Sustainability continued

BUILDING FOR TOMORROW CONTINUED

1 **PROGRESSING TOWARDS NET ZERO** CONTINUED

Our decarbonisation pathway continued

Reducing the carbon footprint of materials used in construction (Scope 3 emissions)

	From 2022–2026	By 2030	By 2040–2050
Our carbon reduction targets		Achieve a carbon reduction of at least 22% per m^2 completed floor area by 2030 (2019 baseline)	Achieve net zero carbon emissions across our value chain by 2045 (expected to be c. 90% reduction)
Our priority actions (already underway and planned)	Building around 30% timber frame homes	Increasing timber frame to c.50% and MMC components	
	Introduction of ~30% GGBS at Brickworks and Tileworks to reduce cement content	New Space4 factory operational	
	Detailed embodied carbon study already complete, informing materials targets and reduction plans	Aiming to be a zero-waste company	
	Innovation programme in place – undertaking a trial of zero cement substitute for bricks and tiles		
	Strategic partnerships with suppliers and trials of low-carbon alternatives	Building circular economy principles into our operations	
External enablers	• Grid decarbonisation trajectory maintained and sufficient electricity grid capacity • Development of supply chain partnerships • Standardisation of LCA methodologies and data • Cement industry on track to achieve its NZC pathway • Iron and steel industry on track to achieve its NZC pathway • Clay brick industry on track to achieve its NZC pathway	• Grid decarbonisation on track for 100% by 2035 • Embodied carbon regulations	

Key: Targets in place Targets awaiting approval Actions complete Actions underway Actions planned

1a PROGRESSING TOWARDS NET ZERO HOMES

Considering the needs and experience of our customers has been key to our careful integration of low-carbon design and heating solutions into our homes. These solutions improve energy efficiency and reduce emissions.

Our homes, which are being built to Part L 2021 standards, are more energy efficient and are reducing carbon emissions by 31%. This is achieved by taking a 'fabric first' design route and using solutions such as increased insulation, smart heating technology, wastewater heat recovery and solar PV. As a result, our homes now use less energy compared to traditional older properties.

Each of our developments has a bespoke energy transition plan, which ensures that we are prepared for the forthcoming Future Homes Standard ('FHS') and implementing the New Build Heat Standard in Scotland. These plans support the phase-out of gas boiler installations, balancing regulatory timelines with commercial considerations. Ahead of the regulatory requirements, we have already started installing low-carbon design and heating solutions, such as air source heat pumps. Homes with these low-carbon heating solutions installed are zero carbon ready in use and emissions will reduce further once the UK grid electricity supply decarbonises.

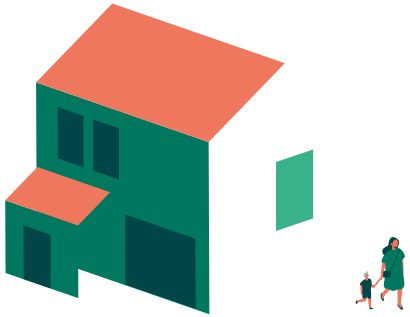
Innovative products and new solutions are emerging onto the market, and our technical teams are constantly analysing options and creating optimised solutions.

We have a significant advantage through our Space4 timber frame products to provide an effective 'fabric first' approach and deliver increased insulation and thermal efficiency, which will be a key contributor to achieving the energy efficiency requirements.

Optimising energy performance in the home and customer experience is a key enabler to reducing carbon emissions and energy bills. We are evaluating the opportunities for smart technology solutions in our homes and currently have trials underway.

The homes will use air source heat pumps and solar panels, reflecting Persimmon's commitments to sustainability and the Welsh Government's decarbonisation goals.

Llanilid development, West Wales



Sustainability continued

BUILDING FOR TOMORROW CONTINUED

1a **PROGRESSING TOWARDS NET ZERO HOMES** CONTINUED

Technology roadmap for the delivery of the Future Homes Standard

Having implemented Part L 2021 according to our transitional arrangements in England and the New Build Heat Standard in Scotland, we are preparing for further regulation changes. These include the introduction of the FHS in England and similar regulation changes in Wales. The FHS requires a significant further increase in energy efficiency and carbon reduction.

Our key strategic changes proposed to meet the regulatory requirements are:

- Further increasing thermal efficiency through the fabric such as additional insulation in the floors, walls and roofs, and an increased use of panelised wall systems.
- Installing low-carbon alternative heating systems such as air source heat pumps to replace traditional gas boilers.
- Exploring localised low-carbon heating systems such as ground source heat pumps, or small-scale district heating systems. We will conduct detailed studies to ensure the most optimised heating solutions are provided.
- Installing wastewater heat recovery systems and mechanical heat and ventilation systems, which capture and reuse heat to prevent unnecessary energy waste.
- Increasing the air tightness of our homes.
- Installing solar PV.

We will carefully consider each of the options and any other innovations or new technologies that emerge in the market on a site-by-site basis to ensure that the best options for customers and our business are selected.

Updates to the Group's standard house type portfolio are in production, utilising building information modelling to meet the new regulations.

1. Thermally efficient ground floor
2. Panelised off-site manufacturing using Space4 fully insulated timber frame
3. Gen4 bricks from our Brickworks factory
4. Air source heat pump*
5. Swift brick
6. Thermally efficient loft roll insulation
7. Photovoltaic inverter
8. Integrated photovoltaic panels
9. Wastewater heat recovery from shower
10. Roof tiles from our Tileworks factory
11. High-performance windows and doors
12. EV charging point
13. Highly efficient water fittings

* Air source heat pump shown here for illustration purposes only. Usually located in rear garden.

1b PROGRESSING TOWARDS NET ZERO CARBON OPERATIONS

Reducing operational fuel and energy efficiency is a key driver for our decarbonisation pathway. Throughout 2025, we have continued to make progress in implementing fuel and energy consumption reduction measures.

Diesel use is the main contributor to our operational carbon emissions. We have continued to build upon several diesel reduction initiatives that were introduced last year. Our Regional Chairs receive bi-monthly diesel usage and hybrid generator utilisation data from across the Company to drive site efficiency actions and share best practice findings.

Following a successful trial, throughout 2025 a rollout of hybrid generators has been ongoing across new and existing sites. This has led to decreased diesel consumption, carbon emissions, and cost savings. With the battery storage unit, the diesel generator runs for less time, greatly reducing the associated CO_2e emissions.

The Group has continued its programme of energy awareness training modules to improve on-site energy efficiency, and a new online training module was set up for all plant operators to help reduce idling times.

Our site cabin layout strategy guides all businesses on the appropriate location and specifications for cabins on a development. A key requirement of the 'eco' cabin specification is to comply with JCoP Fire Regulations. All the updated specification cabins have extra insulation in the floor, walls and ceiling. Double-glazed windows, automatic door closers, PIR lighting and heaters with timers are also fitted as standard. A positive additional benefit of these changes is that the cabins are more energy efficient, which helps future-proof the business and reduce carbon emissions.

This visible investment in Space4 is a sign of how Persimmon is advancing in terms of speed, quality and sustainability.

Kevin Rodgers
Programme Director

Our Space4 timber frame products are a key contributor to achieving our energy efficiency requirements. The Space4 factory in Castle Bromwich has installed a new automated robotic line. The production line has been custom built for our house types: 3D designs are fed into the software, which calculates how much material is required, with minimal waste. The benefits of the robotic production line are already being experienced on site through reduced assembly times and improved quality. It provides our customers with the benefits of increased energy efficiency and air tightness. Our employees at the factory benefit from improved health, safety and working environments, which is another of our key sustainability focuses.

Greenhouse gas emissions per home sold (market based)

1.42

tonnes CO_2e/home
2024: 1.90 tonnes CO2e/home

Absolute Scope 1 and 2 emissions (market based)

16,938

tonnes CO_2e
2024: 20,306 tonnes CO2e

The Group purchases 100% REGO-backed renewable energy for our offices, sites, manufacturing facilities and supplies to our plots whilst under our ownership.

We can see the impact of our consumption reduction measures on our GHG emissions. In 2025, market-based absolute carbon emissions have reduced to 16,938 tonnes, which is a 17% reduction compared to the prior year. The carbon emissions/home have also reduced to 1.42 tonnes CO_2e/home (2024: 1.90 tonnes CO_2e/home). We remain on track to meet our near-term Scope 1 and 2 science-based reduction targets.

Our decarbonisation pathway also includes a detailed plan for reducing operational carbon emissions across the Group, as laid out on pages 31 to 34.

HVO TRIAL

Persimmon continues to explore options for low-carbon alternatives to carbon-intensive activities on site. As part of our decarbonisation strategy and drive to reduce operational carbon emissions, in mid-2025 we began a trial of the low-carbon fuel, Hydrotreated Vegetable Oil ('HVO'). HVO is a clear, odourless liquid hydrocarbon fuel with minimal sulphur content. It reduces greenhouse gas emissions significantly. The trial involved several of our regions, testing HVO on their sites for use in plant and for generators with an estimated c.2,806 tonnes of CO_2e saved compared using traditional diesel. According to the site and procurement teams in these regions, the transition from diesel to HVO was seamless, with the fuel being used in both owned and leased JCB telehandlers. The trial is ongoing, with the potential for expansion to further businesses if it is successful.

Sustainability continued

BUILDING FOR TOMORROW CONTINUED

1c PROGRESSING TOWARDS NET ZERO BY REDUCING OUR SCOPE 3 INDIRECT EMISSIONS

Our Scope 3 emissions from indirect activities in our supply chain make up about 99% of our overall carbon footprint.

Summarised below are some of the broad-ranging approaches we have taken to reduce our Scope 3 emissions and the whole life carbon impacts of our business in 2025:

- We have experienced significant benefits in reducing embodied carbon impacts through our vertical integration strategy with our timber frame manufacturing facility, Space4. The use of timber frame construction (kits and roof systems) replaces masonry components and, from a sector-wide study completed by the Future Homes Hub in 2022, on average delivers a 16% reduction in embodied carbon.
- Our Brickworks and Tileworks factories are also part of our vertical integration strategy. We use concrete in our bricks and tiles, which are less carbon intensive to produce than traditional clay ones. In addition, our Brickworks factory has trialled the use of ground granulated blast-furnace slag ('GGBS') as a 30% cement replacement in our paver production, and we expect to extend this to some of our brick production in 2026. Following successful testing, the first Gen4 site in Durham was completed during 2025, and the new bricks are expected to be rolled out to further sites in 2026 and 2027. Subject to manufacturing volumes, a 100% switch to Gen4 bricks will potentially replace c. 6,000 tonnes of cement a year, giving an annual saving of around 3,840 tonnes of CO_2e. Our Brickworks and Tileworks factories are also implementing low-carbon energy upgrades with solar PV panels being installed during Q1 2026, which should provide c.20% of the site's electricity requirement. The use of air source heat pumps is being investigated as an alternative to LPG boilers, together with heat recovery systems to increase the efficiency of our curing systems.
- We have collaborative long-term relationships with our supply chain and, as part of our responsible procurement process, regularly engage with it on sustainability, new materials and innovations. In addition, we are partners with the Supply Chain Sustainability School to support the delivery of a consistent approach to sustainability and responsible sourcing. The School provides a learning and engagement platform to upskill people working within the built environment sector. Our partnership support enables free online learning materials, seminars, workshops and other services for our supply chain to help it improve environmental, social and economic sustainability awareness on issues including carbon reduction, waste reduction, resource use and human rights.
- We have completed an embodied carbon and whole life carbon study of all of our core house types. This provides us with a detailed understanding of material type contribution and informs where focus should be placed to make the most meaningful reductions. We will be engaging with our key suppliers to progress actions and opportunities.
- Reducing the whole life carbon emissions of new build homes is an industry-wide challenge. We work closely with the Future Homes Hub on cross sector initiatives and support the whole life carbon working group.

We have experienced significant benefits in reducing embodied carbon impacts through our vertical integration strategy with our timber frame manufacturing facility, Space4 and our Brickworks and Tileworks factories.

space4

BRICKWORKS

2 GREENHOUSE GAS REPORTING

Greenhouse gas emissions and energy consumption reporting (Scope 1, 2 and 3)

The Group has reported on greenhouse gas emissions in line with the UK Government's 'Environmental Reporting Guidelines: including Streamlined Energy and Carbon Reporting guidance' (dated March 2019). The GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) has been used as the methodology to quantify and report greenhouse gas emissions. The Group operates in England, Wales and Scotland, and emissions are reported in line with the financial control of the Group.

Greenhouse gas emissions			**2025**	2024	2023	2022	2019 baseline
Scope 1 emissions from gas, transport, and construction site fuel use		tCO_2e	**16,654***	20,295*	21,949*	25,005*	**30,797**
Scope 2 emissions from electricity use	Location based	tCO_2e	**2,762***	2,987*	2,594*	2,151*	**3,209**
	Market based	tCO_2e	**284***	11*	24*	12*	**2,747**
Total Scope 1 and 2 greenhouse gas emissions	Location based	tCO_2e	**19,416***	23,282*	24,544*	27,156*	**34,006**
	Market based	tCO_2e	**16,938***	20,306*	21,973*	25,017*	**33,543**
Scope 1 energy consumption		MWh	**79,982**	79,138	87,322	99,980	**104,257**
Scope 2 energy consumption		MWh	**15,258**	13,458	12,887	11,410	**12,135**
Carbon intensity Scope 1 and 2 emissions (per home sold)	Location based	tCO_2e/home sold	**1.63**	2.183	2.474	1.826	**2.14**
	Market based	tCO_2e/home sold	**1.42**	1.904	2.214	1.683	**2.12**
Scope 3 emissions – category 1: purchased goods and services		tCO_2e	**1,102,711***	883,938*	962,496*	1,288,322*	**1,371,169**
Scope 3 emissions – category 11: use of sold products		tCO_2e	**684,741***	767,884*	791,950*	1,394,740*	**1,392,450**
Scope 3 emissions – category 7: employee commuting		tCO_2e	**8,582**	8,527	9,952	11,067	**9,034**
Carbon intensity Scope 3 carbon emissions (emissions per 100m² completed floor area)		$tCO_2e/100m^2$	**168**	176	207	216	**197**
Total Scope 3 emissions		tCO_2e	**1,840,426**	1,709,398	1,764,398	2,694,129	**2,848,173**
Out of Scope emissions		tCO_2e	**2,597**				

* The Scope 1, 2 and 3 (categories 1 and 11) greenhouse gas emissions data for 2022-2025 has been externally assured to a limited level of assurance by Ernst & Young LLP (see www.persimmonhomes.com/corporate/sustainability). The Group's GHG Reporting Methodology can be found at www.persimmonhomes.com/corporate/sustainability.

Continued improvements have been made to data capture and reporting methodologies during 2025. As part of the Group's sustainability commitments, from August 2021 the Group purchases 100% REGO-backed renewable energy for our offices, sites, manufacturing facilities, and supplies to our plots whilst under our ownership. In 2025, as travel in electric and plug in hybrid vehicles may not always be from renewable electricity sources, we have included this in our market-based emissions.

Persimmon's material Scope 3 emissions include: category 1, purchased goods and services (obtained from spend data and will be improved over time as carbon data becomes available from suppliers); category 11, homes in use (obtained from SAP information); and category 7, employee commuting (obtained from employee travel survey data). In 2019, 2024 and 2025 our total Scope 3 emissions figure in the table above includes all Scope 3 categories. In 2022 and 2023, our total Scope 3 emissions figure in the table above is based on material Scope 3 categories only (i.e. 1, 7 and 11).

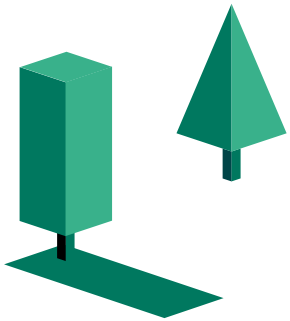
In 2025, we have commenced reporting out of scope emissions, which includes biogenic emissions from the use of HVO in our operations.

Greenhouse gas emissions

The Group's absolute GHG Scope 1 and 2 emissions decreased in 2025. Data capture and reporting have continued to improve, allowing the effects of efficiency measures to be more visible and for the opportunity to share best practice. Many energy efficiency measures have been utilised this year, including wider rollout of hybrid generators, plant operator monitoring for idling times and a trial of a low-carbon fuel. Best practice findings are rolled out across the business to continue to reduce carbon emissions.

Scope 3 emissions make up the majority of our total GHG footprint, around 99%. Scope 3 Category 1 (relating to purchased goods and services) emissions are calculated using a spend-based method, and our increased spend in 2025 has been a key factor in driving our increased carbon emissions in this Category.

Scope 3 category 11 emissions (use of sold products) have decreased even with increased volumes, reflecting the improved energy efficiency of our homes. The calculation methodology for this category requires a 60-year timeframe to be used.



Sustainability continued

BUILDING FOR TOMORROW CONTINUED

3 CREATING A RESPONSIBLE SUPPLY CHAIN

Our business operations critically rely on our supply chain to deliver quality homes for our customers. Our suppliers and contractors are appointed through a combination of Group framework agreements and local operating company relationships. Mandating ethical procurement practices, our suppliers must comply with our Supplier Principles and Group policies.

When developing framework agreements and making significant sourcing decisions, all requests for information ('RFIs') and quotations ('RFQs') include environmental and sustainability criteria with appropriate weightings. Our Group Procurement team discusses sustainability requirements quarterly in supplier reviews with key suppliers.

We are partners with the Supply Chain Sustainability School to assist in the delivery of a consistent approach to sustainability and responsible sourcing. The School provides a learning and engagement platform to upskill people working within the built environment sector. Our partnership support enables free online learning materials, seminars, workshops and other services for our supply chain to help it improve environmental, social and economic sustainability awareness on issues including carbon reduction, waste reduction, resource use and human rights.

Responsible sourcing of timber

We are committed to responsible sourcing and look to use supply chain systems, which minimise the environmental impact associated with the production of key commodities such as timber. All buyers, surveyors, suppliers and subcontractors to Persimmon via Group deals are required to purchase Forest Stewardship Council ('FSC') or Programme for the Endorsement of Forest Certification ('PEFC') certified timber and timber-derived materials for use in all our operations.

If FSC or PEFC certified timber and timber-derived materials cannot be purchased, evidence must be provided that alternative materials are sourced from reputable and sustainable sources.

As a minimum, all buyers, surveyors, suppliers and subcontractors must ensure compliance with any applicable laws and regulation in relation to the sourcing of timber and timber-derived materials. The Group Procurement department actively tracks compliance with this policy.

Timber and timber-derived materials are a key feature of our annual Carbon Disclosure Project ('CDP') reporting, through the Forestry section of the questionnaire. We gain the information for our disclosure from a detailed annual questionnaire to our Group timber and timber product suppliers.

2025 CDP Forests Score

B

Waste reduction initiatives

In 2025, 98% of waste was recycled or reprocessed from our sites and off-site manufacturing facilities (2024: 98%), with 7.45 tonnes of waste generated per home sold (2024: 6.78 tonnes).

We have continued the practice of recycling brick and block waste for reuse in other areas, such as piling platforms and scaffold bases, reducing waste and the requirement for third-party aggregates. Additionally, we have successfully implemented the process of using site won soils and converting them into fill material to use at our development in Wates Lane, Redditch. This process, undertaken by ECOFILL, negated the need to import aggregates as per the normal process.

Soil management is also an important aspect of our waste management strategy. In 2025, after a successful trial we have built upon our soil reuse capability by agreeing a deal with Nexus ReGen. Hundreds of Persimmon projects nationwide will list their material import and export requirements, from soils and aggregates to other materials, exclusively on the Nexus ReGen platform. This allows for a data-driven approach to material planning, giving the teams visibility of reuse opportunities earlier in the project lifecycle and allowing Persimmon to action material reuse at a scale not previously possible. It gives Persimmon the opportunity to divert significant quantities of materials from landfills, reduce primary material demands, and avoid unnecessary haulage. In Cumbria, we have also implemented the transfer of excess topsoil to a working farm to improve the quality of existing soil for agricultural use. This was through a formal planning process, and identification and evidence were applied. Additionally, we have continued to use our Soil Register to internally share information about clean site soil and subsoil, cutting waste and material costs nationally. We are also a Principal Member of CL:AIRE, a UK charity committed to providing a valuable service for all those involved in sustainable land reuse.

TRANSFORMING COMMUNITIES

In this pillar:

1. **BUILDING FOR YOU**
2. **CONNECTING PEOPLE WITH NATURE**
3. **LEAVING A LASTING LEGACY**

Affordability

c.£286k

Persimmon Homes private average selling price

c.19%

below UK national average

Investment in local communities (over five years)

c.£2.3bn

2024: £2.2bn

Donations to local charities

c.£1.1m

2024: c.£905k

NHBC Reportable Items

0.29

2024: 0.26

Trustpilot scores

Persimmon Homes

4.6

2024: 4.5

Charles Church

4.6

2024: 4.4

Persimmon places a strong emphasis on supporting sustainable communities, and our 'Transforming Communities' sustainability pillar reinforces this commitment across the business.

Creating sustainable places for our customers and communities is central to our business. To achieve this, we have introduced a Placemaking Framework that guides every development, fostering a strong sense of place and ensuring we deliver attractive, well-designed communities with valued green spaces and convenient connections to local amenities.

The Persimmon Way, our construction excellence programme, is driving continued improvements in our build quality. Continued efforts from all our teams mean that we are proud to be an HBF five-star rated housebuilder for the third consecutive year, and have kept our NHBC Reportable Items at low levels with a score of 0.29 for 2025.

Our customers are seeing the benefits of the investments we are making in our customer experience processes. Persimmon Homes and Charles Church have both been rated Excellent with 4.6 stars on Trustpilot in 2025. We are proud to deliver affordable homes that local people want to live in. Our Persimmon Homes private average selling price of £286,145 is c.19% below the UK national average.

Sustainability continued

TRANSFORMING COMMUNITIES CONTINUED

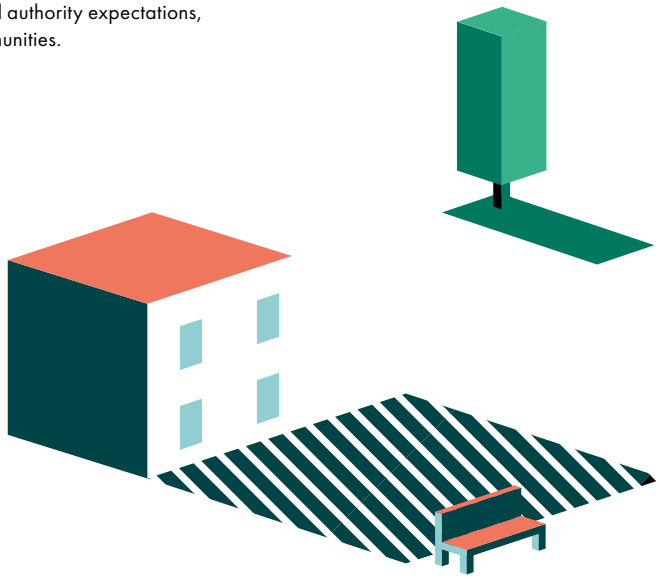
1 BUILDING FOR YOU

Our Placemaking Framework ensures every development is designed to reflect local character and needs, creating sustainable communities where wellbeing and social value are central. Fully aligned with The Persimmon Way, this approach supports our journey to net zero carbon.

At its core, our Placemaking Framework draws on the National Model Design Code, which defines key characteristics of well-designed places, including character, climate and community. Building on this, we have developed ten pledges that guide the design process for each development, ensuring local requirements are incorporated. This approach leads to high-quality schemes that complement their surroundings, meet local authority expectations, and foster thriving communities.

Climate resilience is integral to our approach, and consideration of this aims to ensure our developments are future-proofed for future risks. This includes physical risks such as drought and flooding, which are mitigated using blue and green infrastructure such as sustainable urban drainage systems. Additionally, our homes are designed with lower energy needs ready for the transition to low carbon/zero carbon ready for our customers.

Creating healthy, safe and enjoyable public spaces is essential to sustainable communities. This includes shared streets, walkable neighbourhoods and sustainable transport links to schools and local amenities. Nature is a vital part of placemaking, enhancing quality of life and biodiversity. We maximise green spaces to support wildlife and create environments where people and nature flourish together.



2 CONNECTING PEOPLE WITH NATURE

Creating sustainable communities is a core principle within our Placemaking Framework, which recognises the importance of designing green spaces for both nature and people to support wellbeing.

Our priority is to deliver quality, affordable homes while creating sustainable places. Increasingly, our new developments incorporate Biodiversity Net Gain ('BNG') and feature enhanced green spaces, such as allotments and orchards to support our customers to have healthy lifestyles. We are proud to create spaces that bring families and communities together and provide opportunities to reconnect with nature and enhance wellbeing.

Biodiversity Net Gain and beyond

From the very early stages of a new development, we consider how to incorporate and strengthen BNG and the natural environment, recognising the value of biodiversity assets from the outset.

Our designs consider interactions with existing habitat assets, aiming to retain and enhance them wherever possible. We also consider how our customers can connect and benefit from green space and nature. We encourage the formation of new habitats that align with local biodiversity priorities, connect with the wider landscape, and contribute towards nature recovery through biodiversity gains.

We continue to embed biodiversity principles into operations and decision making, building on best practices across regions. In recognition of well-designed schemes, our internal Excellence Awards include categories on sustainability and biodiversity to celebrate efforts towards nature and sustainability principles.

We remain strongly positioned to effectively deliver BNG, and our ability to make positive ecological choices is further strengthened by our in-house expertise.

We are actively engaged in a wide range of industry stakeholder engagement and collaboration on BNG implementation. We collaborate widely across the sector, including through the Future Homes Hub Places and Nature Group and its sub-working groups, ensuring consistency and proactive alignment with Government guidance.

Tree planting

We planted c.215,000 whips and trees in 2025. This provides valuable benefits not only to biodiversity, but also to our customers by contributing to community wellbeing and helping to cool urban areas, promoting environmental sustainability within our developments.

Homes for Nature commitment

In July 2024, we signed up to the Future Homes Hub Homes for Nature commitment, which is a sector-wide initiative aimed at protecting vulnerable and endangered species by providing places for our wildlife to shelter and thrive. Persimmon is involved in the working groups that developed this commitment.

As part of Homes for Nature, we have committed to installing swift bricks and hedgehog highways across our developments, alongside nature-supportive planting. These features are installed along with guidance from ecological consultants to ensure they meet local wildlife needs.

Sustainability continued

TRANSFORMING COMMUNITIES CONTINUED

3 LEAVING A LASTING LEGACY

As a national business with a local presence, we are committed to leaving a lasting legacy for the communities in which we work.

We support c.23,500 jobs across the supply chain and c. 96,000 jobs across the wider community. Our developments engage local suppliers and tradespeople, supporting the local economy.

Each of our operating businesses has detailed knowledge of its local communities. In addition to delivering much-needed, attractively priced homes to local people, our teams support them in many other ways, engaging with them to design and develop areas that suit their needs, provide infrastructure and support local charities.

Local young people also benefit from our commitment to supporting education and providing opportunities. Through the Persimmon Ambassador programme, which started in 2024, we attend school and college events, providing career advice. We sit on education boards to help shape the curriculum to provide construction skills for the future. We further support colleges with material donations, including bricks from our Brickworks factory, and regularly sponsor college award ceremonies.

We take a local approach to charitable and community initiatives, and in 2025 supported 288 charities and organisations with £1,084,458 in donations. Examples being:

- Persimmon Homes West Wales donated £1,000 to the 2026 Saundersfoot New Year's Day Swim, which raises money for local charities.
- Wem & District Rotary Club has been awarded £3,000 from Persimmon Homes West Midlands.
- St Barbara's Primary School in Muirhead has received a £5,000 donation from Persimmon Homes West Scotland to fund planned upgrades.

We donate our 100,000th brick to colleges across Scotland

The Cabinet Secretary for Education and Skills and local MSP Jenny Gilruth joined students and staff from the construction department at Fife College to take receipt of their latest 10,000-brick delivery.

The bricks provide students with the opportunity to learn their trade using the same high-quality materials used on live construction sites. The donation is part of our wider commitment to supporting construction colleges, apprenticeships and skills development, helping to ensure a pipeline of qualified tradespeople for the housing sector. While there, Jenny spoke to Casey Gardner, who was the first apprentice hired through our partnership with Fife College. Jenny said: "It was a pleasure to join staff and students at Stenton Campus in Glenrothes to mark this fantastic milestone as Persimmon Homes donates its 100,000th brick to support construction skills across Scotland. This collaboration has gone from strength to strength, helping more young people in Fife to live, learn and work locally, while contributing to Scotland's growing construction sector."

Supporting the next generation of construction talent is at the heart of what we do. By donating these materials, we're giving students the chance to gain invaluable hands-on experience – building their skills and confidence in a real-world context.

William Smith,
Senior Regional Apprenticeship Manager

Jim Metcalfe, Principal of Fife College, added: "Our award-winning partnership with Persimmon is vital to ensuring skilled workers for our region's construction industry. It was our privilege to have Jenny join us, to mark another wonderful milestone in this story."

SAFE AND INCLUSIVE

In this pillar:

1. **WORKING SAFELY**
2. **INVESTING IN A DIVERSE BUSINESS**
3. **RESPECTING HUMAN RIGHTS ACROSS THE VALUE CHAIN**

RIDDORs[1]

3.8

2024: 2.2

Training interventions at excellence level[3]

445

2024: 410

AIIR[2]

1.7

2024: 1.3

Percentage of female employees in senior roles

34%

2024: 34%

1. RIDDORs reported per 1,000 workers including, where relevant, those reported by our contractors excluding our manufacturing operations.
2. Annual Incidence Injury Rate, our own RIDDORs reported per 1,000 workers.
3. The training interventions at excellence level have been externally assured to a limited level of assurance by Ernst & Young LLP. The number of excellence programmes has increased from 5 to 11 in 2025. The assurance statement and methodology are available at www.persimmonhomes.com/corporate/sustainability.

We have a safe and inclusive culture focused on the wellbeing of our customers, communities and workforce.

Maintaining a safe environment is of paramount importance and we have a proactive and progressive approach to health and safety. Our safety management system defines the policies and procedures to ensure employees, contractors and visitors can be safe on our sites and in manufacturing businesses. Extensive training and inspections enable effective delivery. A key focus is placed on wellbeing, especially mental health, and raising awareness.

Recruiting and retaining the right people means we deliver our five key priorities and provide excellent customer service. Equality, diversity and inclusion are key enablers for this, and we have instigated new policies and training programmes to further embed this in the business and decision making.

We adopt an industry-leading approach to training, with dedicated in-house resource providing a wide range of learning opportunities to all employees. We proactively review our training programmes, making updates and including additional programmes where required, to ensure they continue to meet business needs. We monitor a range of training measures, including the number of days of training delivered and the number of different 'interventions', which are categorised as:

- **Introductory –** This training typically covers basic courses required for the business to operate in compliance and for colleagues to understand the required Persimmon ways of working.
- **Competent –** This level of training enables colleagues to fulfil their core skills and build their capabilities.
- **Excellence –** These training programmes are focused on providing opportunities for skills development and progression, to fulfil our people's potential.

Ensuring ethical, safe and fair working conditions within our supply chain is very important, and we operate a robust approach to supplier selection and adherence to our policies. We are mindful of the risks of modern slavery in the construction industry and have training programmes in place, site inspections and whistleblowing provisions.

1 WORKING SAFELY

The wellbeing of our customers, our workforce and our communities remains paramount. We take a proactive and progressive approach to our health and safety strategy and objectives.

Our health, safety and environment ('HS&E') approach

- We now have an embedded behavioural health and safety campaign, Target Zero, with the tagline, 'Zero Regrets'. 2025 is the second successful year of the campaign. The goal of the campaign is to raise workplace safety awareness and accountability with every team member to minimise incidents that harm colleagues. The foundation of the campaign is to empower our leaders to set a positive culture where everyone knows that safety is a priority. Through the campaign, safety is an expectation and not a request, and our employees and contractors feel that they can truly make a difference by making decisions that prevent incidents from happening. They now feel that if they see something that seems unsafe, they can do something about it. We use powerful messaging through posters and direct communication with our site workforce through The Persimmon Way App and Site Manager Toolbox Talks. Supported by our THINK rules, the initiative featured Safety Week in July, with leadership visits, promotional materials and the inspiring 'On the sidelines' videos with rugby legends. The campaign is further supported by a safety index, which tracks incidents so that we can measure ourselves effectively by undertaking benchmarking to track improvement.
- Following a rigorous audit process with the British Standards Institution, we have been awarded ISO 45001 by the UK Accreditation Body. This certification confirms that our occupational health and safety management systems meet the recognised international standard.

Sustainability continued

SAFE AND INCLUSIVE CONTINUED

1 **WORKING SAFELY** CONTINUED

Our health, safety and environment ('HS&E') approach continued

- We continue to recognise good HS&E performance through our annual internal 'HS&E Excellence Awards' by rewarding site teams that have demonstrated a passion and commitment to HS&E initiatives above and beyond policy requirements.
- We have further developed The Persimmon Way App, our internally developed and bespoke app across all our sites for induction and site sign-in, to enable more effective checking of competency cards of personnel on site, to ensure they have the required HS&E training. We have partnered with the Construction Skills Certification Scheme, so that these checks are done via an automatic digital link with their systems, making the checks more reliable and cutting down site management time.
- We have continued our random drug and alcohol testing programme for all our sites and manufacturing facilities, enhancing the testing programme to capture ride-on plant operatives as routine due to the risk level they pose.
- We have purchased and installed human recognition cameras for our owned mobile plant and concluded a deal so that the hired mobile plant will also have these cameras installed as standard. These cameras cover all the blind spots on a machine; the camera constantly records and generates an alert to the operator when a human enters the danger zone.
- We have made improvements to the equipment we use on our sites, with safety in mind. We have moved over to scaffold staircases from scaffold ladders as our primary access and egress from scaffold platforms. We have also replaced all quick-releasing tipping skips with auto-locking ones.

Maintaining our focus on wellbeing

We have continued to promote our wellbeing support to our employed and supply chain workforce:

- Men's Mental Health Week – we had a focus on suicide and shared some of our colleague's stories on the intranet and Persimmon Way App for all our employees, weekly workforce and subcontractors.
- International Men's Day – we held a webinar with one of our Non-Executive Directors, to promote men's health and celebrate male role models.
- Andy's Man Club supported various events on our sites throughout the year. Through partnerships with Lighthouse and Mindflow, we have run a series of drop-in mental health awareness sessions on site for our supply chain workforce.
- Mental Health Awareness Week – we explored how moving more is good for our mental health, and directed people to resources available for support.
- World Mental Health Day – we sent out communications on how to talk about mental health safely, signposting Mental Health First Aiders ('MHFA') and our Employee Assistance Care First programme.
- World Suicide Prevention Day – we ran some communications on mental health in the construction industry with details of organisations that can help in times of crisis.
- We offer employees a full range of mental health training through our MHFA accredited training team.

Training

Investment in training is a key element of mitigating the Group's health and safety risk. All members of our workforce, including our subcontractors, undergo extensive training to safeguard the wellbeing of everyone who comes onto our sites, into our manufacturing facilities or into our offices. This is now enhanced by the new app.

HS&E training modules through our learning management system and 'Toolbox Talks' are regularly delivered to our office and site personnel. These training modules are delivered using Group-wide training material developed by our HS&E department. The results of ongoing performance monitoring undertaken by the department determine which topics are covered at regional/site level.

Inspections

Under the direction of our senior management team, the HS&E department performs regular inspections of the Group's operating activities. This includes a periodic enhanced environmental inspection in addition to our regular HS&E site inspections. The results of these inspections are provided to relevant management and have been used to identify both areas for improvement and areas of best practice that can be shared across the business.

In 2025, the HS&E department undertook 8,251 site inspections. Our HS&E team has considerable experience in providing both a proactive advisory and reactive incident-led approach to identify and mitigate health and safety risk.

Site inspections undertaken

8,251

Work-related injuries

During 2025, the number of construction work-related injuries in our housebuilding operations we reported to the Health and Safety Executive ('HSE') under the Reporting of Incidents, Diseases and Dangerous Occurrences Regulations ('RIDDOR') was 23 (2024: 17). Injuries per 1,000 workers, which includes injuries sustained by our contract workforce, was 3.8 per 1,000 workers (2024: 2.2). The level of build per injury, including contractor injuries, was 243 legal completions per injury (2024: 382).

Our Group Annual Incidence Injury Rate ('AIIR') for 2025 was 1.7 per 1,000 workers (2024: 1.3). In our manufacturing operations, we reported 0 RIDDORs in 2025 (2024: 3).

Building safety

In 2025, we continued to strengthen our leadership position on building safety, further embedding the internal reforms introduced following the Grenfell Tower tragedy and maintaining a clear focus on delivering safe, high-quality homes.

- Building a Safer Future ('BSF') Chartered Champion status was maintained throughout the year, providing independent verification of our leadership and safety culture. This accreditation runs until August 2026, when the BSF will undertake its next external audit of the business.
- Progress also continued delivery of the 'Building Safety Action Plan' ('BSAP'), our detailed internal response to the Grenfell Tower Inquiry Report. Key elements include developing building safety competency frameworks for safety-critical roles, introducing clearer gateways for consistent design governance, and strengthening inspection arrangements for apartment schemes.
- The design phase of the building safety Golden Thread digital records programme was launched, creating the foundations for a connected system that will capture key safety information for all apartments from planning through to handover. Scheduled for completion in H2 2026, the programme (which will be scalable to all plots) will provide stronger assurance, consistent compliance evidence and improved transparency for duty holders, residents and regulators.
- Development of new Group standards for fire safety also commenced in 2025. This includes the Company's first Fire Door Standard and a Passive Fire Protection Trade Specification. When rolled out in H1 2026, these documents will set clear expectations for specification, procurement, installation and maintenance, improving consistency and reducing risk across all regions.
- Engagement with regulators and industry bodies remained strong throughout 2025, including ongoing positive dialogue with the Building Safety Regulator ('BSR'), the Office for Product Safety and Standards ('OPSS'), the National Regulator for Construction Products ('NRCP') and the Industry Competence Committee ('ICC'). Through these relationships, the business contributed to national discussions on construction-product safety, digital evidence and future regulatory oversight.
- The pilot of the internal Building Safety Stop Notice was launched during the year, enabling work to be paused where safety-critical risks are identified or where essential design or installation information is missing during construction. This mechanism strengthens early risk control and reinforces our commitment to delivering safe homes first time, every time.

Transparency and competency within the supply chain continued to be strengthened through the mandatory use of third-party certified fire-stopping contractors and ongoing engagement with the Code for Construction Product Information ('CCPI').

Sustainability continued

SAFE AND INCLUSIVE CONTINUED

2 INVESTING IN AN INCLUSIVE BUSINESS

Creating an inclusive environment where diversity is embraced is crucial for our business.

We respect all individuals and believe that having a diverse workforce allows us to bring in the best people and ensure everyone can flourish. This commitment to diversity and inclusion ('D&I') not only fosters a positive workplace culture, but also drives innovation and success in our Company.

In 2025 we conducted a full review and update of our D&I strategy, and this has shaped the actions of our D&I Working Group, comprised of volunteers from a range of roles and locations across the Group.

Good quality data is essential for understanding the issues and tracking progress. In 2025, we created a new quarterly D&I Dashboard, which provides insights into diversity at all stages of the employee journey, from recruitment through promotion to exit, and all areas of the Group. This Dashboard provides informative data to support our D&I strategy.

We have a strong emphasis in our recruitment on transferable skills in order to encourage applicants from other sectors, bringing diversity of thought and experience.

Recruitment is a vital part of our D&I strategy, and in 2025 we continued our comprehensive recruitment training programme available to all managers with hiring responsibilities (over 500 individuals). The training gives guidance on best practices in recruitment, with a focus on the overall candidate experience. Opportunities for improvement include how and where we advertise roles, the wording of adverts, reasonable adjustments, an understanding of the main bias hotspots, selection methods, interview structure and actions post-interview.

We set stretching diversity targets in 2021, and in 2025 we expanded these to focus on increasing the representation of ethnic minorities and females across the Group by the end of 2027. Our progress against these targets is as follows:

- The percentage of females in the senior management team is currently 34.4%, against a target of 37%.
- Of all our salaried roles in the Company, the female percentage is 40.5%, against a target of 40%.
- The percentage of female employees in the Group is 31.2%, against a target of 33%.

Our two initial employee network groups, the Persimmon Women's Network and Persimmon Pride, continue to thrive and are supported by a range of internal communications initiatives to highlight key events in the diversity calendar. In 2025, we launched two further network groups, in line with employee suggestions: a Religion and Culture Group, and a Carers' Community. Each of our network groups have an Executive lead and the groups meet regularly to share and develop ideas for policy and practice, whilst providing a support network.

Our 'Persimmon People' internal communications initiative has been very successful – highlighting the diversity of employees we have, who have shared their stories and experiences. Some of these employees have also taken part in the creation of a recruitment campaign entitled 'Persimmon Potential', which will be launching on social media in January 2026 with the specific aim of attracting candidates from under-represented groups by highlighting the range of carer opportunities available in Persimmon and how transferable many skills are, meaning that sector-specific experience is not required.

Our gender data		**2025**	2024	2023	2022
Board	Male	**5 (56%)**	5 (56%)	4 (50%)	6 (66%)
	Female	**4 (44%)**	4 (44%)	4 (50%)	3 (33%)
Senior Executive Committee and direct reports	Male	**40 (66%)**	34 (66%)	36 (67%)	35 (66%)
	Female	**21 (34%)**	18 (35%)	19 (35%)	18 (34%)
All colleagues	Male	**3,178 (69%)**	3,299 (70%)	3,451 (71%)	4,045 (73%)
	Female	**1,427 (31%)**	1,432 (30%)	1,374 (29%)	1,509 (27%)
Median gender pay gap		**11.2%**	21.3%	9.9%	13.5%

3 RESPECTING HUMAN RIGHTS ACROSS THE VALUE CHAIN

Human rights

The Group has a strong commitment and fundamental respect for human rights, defined within our comprehensive suite of Group policies and procedures and embedded throughout our operations. We regularly assess the most significant potential human rights impact areas within our operations to ensure our policies and controls remain appropriate. The key human rights risk areas identified have remained consistent with prior years, and include workforce safety, labour and employment rights of our employees and subcontractors, and supply chain risks such as modern slavery.

Workforce safety

Ensuring the safety and wellbeing of our workforce, and all those present in the areas in which we operate, is of critical importance. The Group maintains comprehensive health and safety management systems to mitigate the inherent risks to safety in construction activities. These systems are subject to regular internal inspections by the Group Health, Safety & Environment ('HS&E') department, which itself is regularly audited by independent specialists within our Group Internal Audit department. Further safeguards are provided through the Safety and Environment Concerns reporting telephone line and email address, details of which are displayed in all Group offices and at all Group construction sites.

Labour rights

The Group adheres to all UK legislation and regulations in respect of labour rights. The Group HR department monitors the legal and regulatory landscape to ensure that systems and controls are in place to address any changes as they arise. The Group is also a Living Wage Foundation accredited employer, paying the Real Living Wage ('RLW') to our employees and promoting the adoption of the RLW through our subcontractor base.

Supply chain

As a housebuilder we operate solely within the UK, with most of our first-tier supply chain and subcontractors also being UK based. Nonetheless, the Group recognises that the construction sector has a particularly high exposure to modern slavery risk. In this context, we have established robust controls and procedures to reduce this exposure and to provide assurance that our employees and suppliers continue to work to the high standards we demand.

In 2025, we have continued our engagement with organisations which provide access to intelligence on modern slavery trends and good practice guidance. This includes the CCLA-led 'Find it, Fix it, Prevent it' initiative, and the Gangmaster and Labour Abuse Authority ('GLAA'). Senior members of the Group's Management team have attended engagement events with the CCLA to benefit from their expertise and understand stakeholder concerns for our sector. The regular bulletins from the GLAA are also shared with our teams to ensure than any relevant intelligence can be acted upon promptly.

These actions have helped us further build our comprehensive suite of controls. Controls include regular audits on supply chain and increasing awareness, led by our Group Internal Audit department. Awareness posters are also in place at all sites, encouraging the reporting of potential concerns via our whistleblowing provision. Routine inspections and worker interviews are carried out by the Group HS&E department, and tailored training is in place for employees in Commercial, Procurement and Construction functions. Site-based workers also receive an annual training session via The Persimmon Way App, which reached over 20,000 workers.

While the Group remains confident in these controls, one concern of potential modern slavery was identified in our operations in 2025. This concern related to labour provided by a subcontractor at one site potentially not having the right to work in the UK. Group and local management teams supported enforcement agencies in their investigation into this concern.

» Further details on our measures to combat modern slavery are set out within our most recent Modern Slavery Statement, which is available on our website at www.persimmonhomes.com/corporate.

Ethical business practices

We expect high standards of ethical behaviour and integrity from all employees and stakeholders involved in our operations. This expectation is detailed within our policies, including our Code of Ethics and our Anti-Bribery and Corruption Policy, which are reinforced through regular training. As a further safeguard of human rights and ethical behaviour, we maintain a comprehensive whistleblowing provision. This provides a range of mechanisms through which employees and others can raise concerns in confidence, anonymously if needed. All whistleblowing reports are investigated independently by the Group's Internal Audit department, with summary reporting provided to the Audit & Risk Committee. We have continued our partnership with the whistleblowing charity Protect, through which we have further strengthened whistleblowing provision through additional training and access to tools to benchmark against best practices.

Non-financial and sustainability information statement

KEY MATTERS AND WHERE TO FIND THEM

The following section of our Strategic Report constitutes Persimmon Plc's non-financial and sustainability information. This statement has been prepared to comply with sections 414CA(1) and 414CB(1) of the Companies Act 2006, to provide an understanding of the Group's development, performance and position and the impact of our activities. Information regarding non-financial matters is also included throughout our Strategic Report.

» An overview of our business model is set out on page 8
» Our policies are available on our website www.persimmonhomes.com/corporate/sustainability/policies-and-statements
» Our principal & emerging risks are set out on pages 70 to 76

Reporting requirement	Relevant policies and standards governing our approach	Where to read more in this report and how we manage the associated risks
Environmental matters	Climate change is considered a principal risk for the Group, as disclosed in our **Climate Change Position Statement**. Detailed information on the risks and opportunities posed by climate change can be found throughout this report and our TCFD disclosures are set out on pages 59 to 69. We recognise that our activities have an impact on the environment and that we have a responsibility to consider and minimise these impacts. This commitment is formalised through our **Environmental Policy**, which forms a key part of the Group's overall approach to sustainability. Ensuring that we operate in a responsible way, and that we build homes and communities that are both efficient and sustainable, is fundamental to the continued success of our business. Our **Sustainability Policy** outlines the Group's three sustainability pillars that shape our approach to how we undertake our activities as a responsible developer.	» See pages 30 to 40, 59 to 69 and 73
Employees	Our **HR strategy** is well established and supports our ambition to become the employer of choice in the sector. We place great emphasis on designing our developments and planning our work so that customers have a safe home to live in and our workers are kept safe whilst these homes are being built. Our **Health and Safety Policy** sets out the Group's health and safety aims and is implemented through our health and safety management system for our operational activities. Our aim as set out in our **Equality, Diversity and Inclusion Policy** is to be an employer of choice and for our workforce to be truly representative of all sections of society and our customers, and for each employee to feel respected while realising their full potential.	» See pages 25 to 27 and 73
Social matters	Transforming communities is just one of the sustainability pillars outlined in our **Sustainability Policy** that shape our approach to how we positively transform communities directly connected to Persimmon's activities. Our charitable activities (including our **Community Champions** initiative and **Persimmon Charitable Foundation**) support good causes across Great Britain. We also ran a range of community events as part of our ongoing partnership with Team GB, along with other great initiatives. More information on this is available on our corporate website.	» See pages 41 to 44 and 17
Human Rights	We are committed to treating our employees, customers, suppliers and business partners in a fair and respectful manner. Our **Human Rights Policy** sets out the standards to which we will operate to ensure these rights are upheld throughout our businesses and operations. Our **Modern Slavery Statement** sets out the steps taken by us to prevent modern slavery and human trafficking within the Group's business and its supply chain. We expect our suppliers and supply chain to join us in working as sustainably and ethically as possible, which is why we require all our suppliers to comply with our **Supplier Principles**.	» See page 49
Anti-corruption and anti-bribery	Our aim is to maintain a culture within the Group in which bribery and corruption are never seen as acceptable behaviours. Our Anti-Bribery and Corruption Policy outlines our approach to the prevention of bribery and corruption, as an extension to our **Code of Ethics**. We value our reputation for complying with all aspects of UK tax law, so we have taken steps to make sure we do everything in our power to prevent the facilitation of tax evasion, as set out in our policy on **Preventing and detecting tax evasion**. We have a policy of not tolerating, and of preventing fraud. To support this, the Group has implemented a **Preventing Fraud Policy** to ensure a culture in which fraud is not seen as acceptable and to reinforce the importance of fraud prevention among employees, agents, consultants, customers, suppliers, and subcontractors. To reflect the importance we place on ethical behaviour, we uphold a strong **Whistleblowing Policy** that provides secure and confidential channels for employees and stakeholders to safely report any concerns of suspected wrongdoing within our operations.	» See pages 49 and 95
Non-financial KPIs	We measure a number of non-financial KPIs to ensure the business is effectively managing its responsibilities.	» See pages 20 to 21

Section 172 statement

ENGAGING WITH OUR STAKEHOLDERS

The following disclosure forms the Directors' statement required under section 414CZA of the Companies Act 2006. Set out below is a summary of how the Board considered its duties under Section 172(1) (a) to (f) throughout the year.

Section 172(1)	How the Board considered its duties	
The likely consequences of any decision in the long term	• Our markets	» see pages 6 and 7
	• Our business model	» see page 8
	• Principal and emerging risks	» see pages 70 to 76
	• TCFD	» see pages 59 to 69
	• Viability statement	» see pages 77 to 79
The interests of the Group's employees	• Our people and culture	» see pages 25 to 27
	• Stakeholder engagement: employees	» see page 53
	• Principal and emerging risks	» see pages 70 to 76
	• Sustainability: safe and inclusive	» see pages 45 to 49
The need to foster the Group's business relationships with suppliers, customers and others	• Our strategic framework	» see page 1
	• Our business model	» see page 8
	• Sustainability: transforming communities	» see pages 41 to 44
	• Stakeholder engagement	» see pages 51 to 57
The impact of the Group's operations on the community and the environment	• TCFD	» see pages 59 to 69
	• Principal and emerging risks	» see pages 70 to 76
	• Sustainability: building for tomorrow	» see pages 30 to 40
	• Sustainability: transforming communities	» see pages 41 to 44
The desirability of the Group maintaining a reputation for high standards of business conduct	• Our business model	» see page 8
	• Audit & Risk Committee Report	» see pages 108 to 114
	• Principal and emerging risks	» see pages 70 to 76
The need to act fairly as between stakeholders of the Group	• Capital Allocation Policy	» see page 24
	• Other disclosures	» see pages 115 to 117
	• Stakeholder engagement	» see pages 51 to 57
	• 2026 Annual General Meeting	» see page 95

To implement our key priorities and to promote the success of the Company, we aim to build strong relationships with all of our stakeholders. We regularly engage with our key stakeholders to understand what matters most to them, how we can meet their interests and the likely impact of Board and management decisions.

The Board receives regular updates on stakeholder engagement at Board meetings. There are a number of standing agenda items in order that the Board can review progress against our key priorities and their impact on our key stakeholders. The Board also engages directly with key stakeholders, particularly shareholders and employees. Our key stakeholders, how we engaged with them and the results of that engagement are set out on the following pages.

Section 172 statement continued

1 CUSTOMERS

Engaging with our customers helps us to be aware of their changing needs and ensure our homes are well positioned in the market.

It also enables us to measure how we are achieving our aim of delivering high-quality, sustainable homes and excellent customer service. Engaging with our social housing partners ensures that we provide the appropriate range of affordable homes to meet the needs of local communities. In addition, we engage with the growing institutional investor and Private Rental Sector ('PRS') market. Maintaining positive relationships with all of our customers minimises reputational risk for the Group and will help to increase long-term demand for our homes.

How do we engage?

We communicate with our customers in a number of ways:

- Our sales staff are in regular contact with our customers from the point of reserving their new home to moving in day and beyond.
- We have a comprehensive communication approach for each customer including both before and after their moving in date.
- Our site teams attend various touchpoints with our customers in the lead up to and immediately after legal completion.
- We participate in two national new homes surveys run by the National House Building Council ('NHBC') to obtain independent feedback from our customers.
- Our customer care teams support our customers once they have moved into their new home.
- We engage with our social housing and PRS partners through regular contact and meetings.
- We have a dedicated team of social media community managers who engage with our customers online, 365 days a year.

Links to our strategic framework

1 Build quality and safety

2 Customers at the heart of our business

5 Supporting sustainable communities

What did our customers tell us?

	Feedback	Outcome and effects on Board decisions
Affordability	Our customers want attractively priced, sustainable and energy-efficient homes.	Our Persimmon private average selling price is c.19% lower than the UK national average for new build homes, widening the opportunity for home ownership to thousands of families and first-time buyers. During the year, we launched two new products, New Build Boost and Rezide, to support our customers in overcoming affordability challenges through an interest-free loan covering 15% of the purchase price.
Accessibility	Our customers want to be able to communicate with our teams quickly and easily, at times and in ways convenient to them. Customers value a blend of digital and interpersonal customer experiences.	We have increased our investment in our customer experience function, including in digital technology and training. As part of our Customer Experience Vision to digitally enable our customers' experience, our new Customer Relationship Management ('CRM') system, which is scheduled to launch in summer 2026 will enable us to better understand and serve our customers by centralising information, streamlining communication, and enhancing our ability to collaborate across teams. Further enhancements will be introduced in the coming year.
Choice	Our customers want a range of home options that meet their evolving needs.	Our three strong brands (Persimmon Homes, Charles Church and Westbury Partnerships) offer our customers a range of choice and value in their respective markets. This year, we have taken the opportunity to refresh the Charles Church brand to reflect our customers' changing demands and aspirations. By recognising the different customer segments across our brands – and tailoring our homes accordingly – we aim to deliver a consistently high-quality experience that better reflects the communities we serve.
Quality	Our customers expect high-quality homes.	We have continued to invest in and progress 'The Persimmon Way', our Group-wide consolidated approach to new home construction, which is considered to be a key driver to deliver consistent quality across our business.

How do we measure the effectiveness of our engagement?

The following metrics are regularly reviewed by the Board when considering progress against our key priorities:

Persimmon Homes Trustpilot score

4.6

(2024: 4.5)

Our score continues to improve, reflecting our improved customer service and brand reputation.

Number of homes sold

11,905

(2024: 10,664)

new homes in 2025, an increase of 12% on last year.

NHBC Reportable Items

0.29

(2024: 0.26)

Our NHBC Reportable Items remain at a low level, reflecting our focus on build quality.

HBF customer satisfaction survey scores

The HBF surveys represent our key customer service metric. We were proud to awarded five-star builder status in 2025. Our recommend a friend survey score was 93.5% and our HBF combined score was 4.30 for the 2024/25 survey year.

Monitoring site visitors and website traffic levels

We monitor the number of visitors to our sites to assess the level of interest in our developments. We also track web traffic to better understand how users interact with our content, helping us improve overall engagement.

Speed of resolution of any customer issues

We are improving our customer care tooling in order to continue to improve our service and speed of resolutions. Dealing with customer issues promptly and effectively is a key focus area.

A CONFIDENT FIRST STEP ONTO THE PROPERTY LADDER

Aidan and Abigail were the first customers to move into the final phase at Hartnells Farm, choosing the development as their first home. For them, becoming homeowners feels like a major achievement.

Aidan praised the support they received throughout their "seamless" journey: "The sales process couldn't have been any easier... It was an amazing experience and it's great to be moved in time for Christmas." He added, "If you put your mind to it and you really want it, the whole buying process is worth it in the end."

2 EMPLOYEES

We aim to attract and grow a talented and diverse workforce, believing this to be fundamental to the long-term success of the business.

Engaging with the workforce significantly contributes to the success and wellbeing of both the business and our employees. Engaged employees are more likely to be motivated and committed to their work, leading to higher levels of productivity and increased innovation and creativity. Engagement leads to stronger team collaboration, better communication and creates a positive culture which enhances customer satisfaction. Engaging with our employees also helps ensure they understand and align with the Group's strategy, mission, vision and values and helps us to understand the changing needs of our workforce, to better attract, develop and retain employees.

How do we engage?

Through our Employee Engagement Panel, meeting regularly throughout the year. Each meeting is chaired by our Chief HR Officer; Board Directors frequently attend. The Chairman, Designated Workforce Non-Executive Director and Chair of the Remuneration Committee attended Panel meetings in 2025.

- Through our intranet and improved internal communications to all employees on matters such as our business activities and priorities, the achievements of our business and our employees, and our work in local communities.
- Through Employee Engagement Surveys and the resulting actions and plans.
- Through our employee network groups.
- Through our Health, Safety and Environment department and increased online training.
- Through role-specific conferences.
- Through Board member attendance at the Group's Leadership Development Programme.
- Through Board dinners, attended by the Group's senior executives, new graduates and other invited employees.

How do we measure the effectiveness of our engagement?

- Feedback from the Employee Engagement Panel.
- Reports from the Chief HR Officer.
- Through the results of our annual Employee Engagement Survey.
- Through our customer satisfaction surveys and quality measures.

What did our employees tell us?

	Feedback	Outcome and effects on Board decisions
Inclusivity and wellbeing	Our employees want a workplace that is inclusive and supportive.	Inclusivity and employee wellbeing remains central to our culture. We are committed to fostering an environment where all employees feel valued, respected, and empowered. Around 80% of employees feel that they can be their authentic selves at work, while 79% recognise that people from all backgrounds have equal opportunities to succeed. Managers are valued for the support that they provide to their teams, with 84% of employees feeling that their manager genuinely cares about their wellbeing. Wellbeing is an area of increased focus. We improved communications to promote employee wellbeing, including our Employee Assistance Programme and mental health communications were issued to site-based employees during the year. We have continued to invest in and develop our Talent and Diversity and Inclusion strategies. Throughout the year, the Group has made progress on embedding equality, diversity and inclusion, with bespoke mentoring intervention supporting up-and-coming female and ethnic minority colleagues. From the success of our current network groups, we have introduced two new groups: the Religion and Culture Network Group, promoting cultural awareness and inclusion across the Group; and the Carers Network Group, designed to support employees with caregiving responsibilities. Our disability awareness and support programs are being expanded to foster inclusivity and provide better support for our employees with disabilities.
Recognition	Recognition is important, and employees want to feel valued and appreciated.	We are committed to fairly rewarding our employees and celebrating excellence through recognition at our annual Persimmon Excellence Awards ceremony. Our site teams, supported by colleagues across all departments, are actively encouraged to work towards recognition such as the NHBC Pride in the Job and Premier Guarantee's Quality Recognition Award. We also have our internal 'Persimmon Praise' tool, providing the opportunity to acknowledge and celebrate colleagues. As part of our commitment to valuing and supporting our employees, we continue to strengthen employee experience through formulated bespoke development programmes, designed to provide support and guidance from early careers through to executive development. This year, we launched a mentoring scheme connecting over 100 colleagues, refreshed our Performance Development Review model, and expanded development opportunities through targeted secondments and stretch projects, such as our AI working group. We continue to be an accredited Living Wage Foundation employer, reinforcing our dedication to fair and equitable reward.
IT improvement	Our employees want better IT systems to do their jobs.	Our IT improvement programme is now complete. Over the last two and a half years, we have strengthened our digital foundations across the Group. This progress was achieved by close collaboration with a team of over 100 colleague IT champions and acting on feedback from colleagues across the Group. We encourage ongoing feedback to help us continue improving our digital environment.

Roadmap of key engagement activities

March 2025
Pride Network Meeting, Employee Engagement Panel, Women's Network Group: International Women's Day

May 2025
Employee Engagement Survey 2025, Women's Network Group: Webinar with Alexandra Depledge (Non-Executive Director), Annual Persimmon Excellence Awards ceremony, Leadership conference

June 2025
Employee Engagement Panel Meeting, Persimmon Pride, Board site visit

July 2025
Pride Network Meeting

September 2025
Employee Engagement Panel Meeting

October 2025
Board site visit

November 2025
International Men's Day webinar, Employee Engagement Panel Meeting

Links to our strategic framework

1 Build quality and safety
2 Customers at the heart of our business
5 Supporting sustainable communities

Section 172 statement continued

3 COMMUNITIES

Engaging with our local communities, throughout all phases of a development, more accurately identifies their needs and helps us to meet those needs.

During this collaboration, we aim to address any planning and technical issues in order that the impact of our activities on local communities is minimised, including using planning and environmental risk assessments.

How do we engage?

- Being actively involved in the communities in which we operate, through employing local people and supporting local charities and community groups through our Community Champions initiative and the Persimmon Charitable Foundation.
- Through our External Affairs team.
- Feedback from our local pre-launch marketing campaigns.
- Proactive engagement and consultation throughout the planning and development process of each of our developments.
- Regular engagement with planning authorities.
- The Board receives bi-annual updates from the Group Strategic Land Director and the Group Sustainability Director.

How do we measure the effectiveness of our engagement?

- Speed of achieving planning consents and ability to unlock blocked consents.
- Through the impact of our Community Champions initiative.
- Through the quality of our developments and our ability to demonstrate how local priorities have been met.
- Reports from the Group Director of Strategic Partnerships and External Affairs.
- Delivering targets for Health and Safety and Sustainability.

What did our communities tell us?

	Feedback	Outcome and effects on Board decisions
Sustainability	Affordable homes with lower running costs and better energy efficiency.	We focus on sustainability by trialling low-carbon building methods to meet regulatory and environmental objectives. In line with the Future Homes Standard and New Build Heat Standard in Scotland, we have developed energy transition plans for all our developments. We are continuing to utilise low-carbon designs and heating solutions, such as air source heat pumps, ahead of regulatory requirements to help us achieve our target of zero carbon ready homes in use by 2030.
Infrastructure investment	Local infrastructure investment is important in improving community environments.	Supporting sustainable communities is a key priority for the Group. Our Placemaking Framework has improved the guidance and tools for our Planning and Design teams. Our new developments feature enhanced green spaces, such as allotments and orchards to promote wellbeing. We are proud to create spaces that bring communities together.
Community involvement	To be an active part of the community through supporting local charities, sports clubs and community groups.	We help to support our communities by making donations to local charities, sports clubs and community groups in the areas where we operate. During the year, the Group donated c.£1.1m to charities, sports clubs and local community groups across the country. Our partnership with Team GB allowed us to welcome athletes to a number of our events, from show home openings to inspiring meet and greets in the communities we created.
Engage with local feedback	To be positive and responsive to the views of local people.	We engage with our local communities and local planning authorities through the development process of our sites to ensure that they will meet local needs.
Fire safety concerns in high rises	Leaseholders and occupants of high-rise buildings have been concerned with fire safety issues.	We remain dedicated to our building safety remediation programme and have demonstrated our commitment to dealing with the programme diligently and swiftly. We continue to ensure that leaseholders are not financially impacted by the costs associated with necessary cladding removal or fire safety remediation in buildings constructed by the Group. We have maintained our proactive approach, working closely with management companies, factors (in Scotland) and their agents to carry out necessary remediation as soon as possible. Recognising the importance of building safety, we are pleased to report that we have begun or finished work on 77% of identified developments. We remain on track to complete most of the required work over the course of the next two years.

c.£1.1m
donated to charity and community groups in 2025

c.£2.3bn
investment in local communities (over 5 years)

c.1,328
homes now feature low-carbon heating solutions, instead of traditional gas boilers, compared with 671 in 2024

541 acres
Public open spaces and gardens provided for families

Links to our strategic framework

1 Build quality and safety
2 Customers at the heart of our business
5 Supporting sustainable communities

4 SUPPLIERS AND SUBCONTRACTORS

Engagement with our suppliers and subcontractors assists us in continuing to improve the long-term sustainability of our supply chain.

The Group continues to benefit from established long-standing relationships with many of its suppliers and subcontractors. The focus of the business is to secure a robust and resilient supply chain that can service the continued growth of the Group. Health, safety and environmental standards, ethical behaviour and integrity are key requirements of suppliers and subcontractors' engaged by the Group. By regular review and feedback, we ensure high standards are maintained. Our engagement is underpinned by continued application of our framework agreements. Via our supplier performance questionnaires and IQC audits, we have collated key performance metrics which have enabled us to provide feedback, identify performance trends, compliance levels, risks and assess the effectiveness of our supplier relationships, supporting robust governance and supply chain resilience.

How do we engage?

- Quarterly business reviews and regular informal discussions with our key suppliers through our Group Procurement team, which is responsible for arranging and negotiating Group framework agreements and service-level agreements to ensure our suppliers understand and comply with our standard terms.
- Our 'Toolbox Talks' help to ensure our subcontractors understand and adhere to the health and safety standards required on our sites.
- We are partners to the Supply Chain Sustainability School which encourages and enables engagement across the supply chain.
- Our local operating businesses' Buying and Technical teams regularly engage with local suppliers and subcontractors.
- All strategic suppliers use a shared performance dashboard that includes forecasting delivery service level KPIs
- All Group suppliers sign up to the Group's Supplier Principles and equivalent Group policies, which describe our requirements and expectations.
- We are part of the Future Homes Hub Whole Life Carbon Oversight Group.

How do we measure the effectiveness of our engagement?

- The Group Procurement department provides routine monitoring of trends and supplier performance.
- Through partnership longevity: the Group's Procurement team is responsible for managing the strong, long-standing relationships we hold with our main suppliers.
- Through routine principal risk reporting to the Audit & Risk Committee, including regular analysis of material purchasing trends and key issues.
- Through the reporting to the Management Risk Committee on key supply chain issues.

What did our suppliers and subcontractors tell us?

	Feedback	Outcome and effects on Board decisions
Collaborative innovation	Our suppliers and subcontractors want to work collaboratively to identify innovative solutions and alternative products to support changes to statutory requirements and building regulations (such as the transition to the Future Homes Standard) and delivery of our objectives.	Our tendering processes have been strengthened through standardisation of our procurement process, greater central oversight and an expanded use of framework agreements. We seek to secure Group-wide deals covering all major elements of our construction process. These relationships and agreements enable the Group to have consistent standards of quality, security of cost and supply of materials whilst providing our suppliers with certainty over volumes, revenues and cash flows. We have signed up to the Future Homes Hub 'Homes for Nature' commitment. We have also been engaging with our suppliers to assess the embodied carbon of our house types in order to identify materials with the most impact.
Supply chain optimisation	Material delivery monitoring and reporting is important, to support compliance and identify opportunities for the reduction of excess stock to develop a robust supply chain, while remaining diligent in preventing modern slavery and protecting human rights.	
Supply chain monitoring	They continue to monitor the impact of global supply chains and price-sensitive impacts to enable continued service delivery, collaborating with manufacturers to implement risk mitigation measures and prioritising responsible sourcing and human rights protection.	
Supply chain forecasting	The Group works in partnership with its suppliers, providing material demand forecasting, with periodic updates detailing any variations. This ensures continuity of supply, providing continuity and visibility of future workflows.	

Links to our strategic framework

1 Build quality and safety

2 Customers at the heart of our business

5 Supporting sustainable communities

LANCASHIRE REGION HOSTS SUPPLY CHAIN CONFERENCE

In November 2025, our Lancashire region hosted a Supply Chain Conference, bringing together c.100 subcontractors and suppliers to strengthen collaboration. The event focused on key themes including build quality, health and safety, technical standards, planning, commercial processes, and growth. Attendees engaged with regional leaders, reinforcing our shared commitment to safe working practices, efficient delivery and customer-focused outcomes. The seminar also provided an opportunity to recognise high-performing partners, further strengthening relationships and aligning the supply chain with our strategic priorities.

Section 172 statement continued

5 SHAREHOLDERS

Access to capital is important for the long-term success of the business.

Through our engagement we aim to create investor understanding of our core focus areas and how we execute them. We create value for our investors by investing for growth and generating surplus capital beyond the reinvestment needs of the business as the market cycle develops.

How do we engage?

- The Executive Directors and IR Director hold regular meetings with analysts and investors as part of the Group's reporting cycle.
- We hold regular shareholder roadshows. In addition, throughout the year, the Executive Directors and IR Director participate in calls, investor conferences and site visits to meet prospective and existing investors.
- All Board members attend the Company's Annual General Meeting, where the Chairman and Group Chief Executive update shareholders, and we conduct the vote on resolutions by poll.
- The Chairman and Committee Chairs are also available to attend meetings with major shareholders to gain an understanding of any issues and concerns.

How do we measure the effectiveness of our engagement?

- There is a regular update from the IR Director to the Board reporting on changes to the shareholder register, share price movement and summarising feedback from shareholders and analysts.
- We obtain feedback from the Company's brokers, market analysts and shareholder groups, which is regularly shared with the Board.
- Movement on the share register.
- Share price relative to the sector.

Links to our strategic framework

1. Build quality and safety
2. Customers at the heart of our business
3. Disciplined growth: high-quality land investment
4. Industry-leading financial performance
5. Supporting sustainable communities

What did our shareholders tell us?

	Feedback	Outcome and effects on Board decisions
Board diversity and succession	Requirement of a diverse Board and pipeline of talent for succession to executive positions.	The Group maintains a rigorous process for each Board appointment, led by the Nomination Committee. The Group engages with external search firms specialising in executive recruitment, where appropriate. Throughout the year, the Nomination Committee continued to exercise oversight of the Group's equality, diversity & inclusion activities, and succession planning.
Sustainable capital returns	Our shareholders have a preference for a sustainable dividend and continued investment for growth.	We recognise the importance of sustainable returns for our shareholders, reinforced through our Capital Allocation Policy. For 2025, the Board approved an interim dividend of 20p per share and has recommended a final dividend of 40p per share.
Fair pay	Our shareholders are committed to fair pay for the whole workforce.	The Group is committed to providing all employees with opportunities to reach their full earning potential. As an accredited Living Wage Foundation employer, we continue to pay the Real Living Wage. Wider workforce remuneration remains a key focus for the Remuneration Committee. During 2025 the Remuneration Committee reviewed the Directors' Remuneration Policy, consulting with major shareholders (representing 52.6% of the share register) and leading proxy advisors, in advance of requesting shareholder approval for the new Policy at the 2026 AGM.

100.7p
Underlying basic earnings per share for the year, being 9% higher than 2024

c.400
interactions with investors during the year

60p
total dividend for the year

6 GOVERNMENT, REGULATORS AND INDUSTRY BODIES

We engage with national and local government and public bodies regarding policy that could affect the Group.

We meet with local councillors and local authority planning departments to understand their priorities to ensure we are able to create sustainable communities where people wish to live and work. We engage with the Health and Safety Executive in relation to industry-wide initiatives to reduce health and safety risks to both our workforce and local communities.

How do we engage?

- Extensive engagement with local councillors and local planning authorities led by our External Affairs team.
- We are a member of the Home Builders Federation and Homes for Scotland. Additionally, Dean Finch, Group Chief Executive, sits on the Board of the Home Builders Federation.
- We engage with government departments directly and, as members, work with the Home Builders Federation and Homes for Scotland, to explain industry opportunities and challenges.
- By participating in industry meetings with Ministers.
- Regular dialogue with Homes England and with the Health and Safety Executive.

How do we measure the effectiveness of our engagement?

- The Board receives updates from the Group Chief Executive and Group Director of Strategic Partnerships and External Affairs regarding direct engagement with government, Homes England and the Home Builders Federation.
- Our engagement has led to an enhanced planning approach.

Links to our strategic framework

1 Build quality and safety

2 Customers at the heart of our business

5 Supporting sustainable communities

What did the Government, regulators and industry bodies tell us?

	Feedback	Outcome and effects on Board decisions
Cyber Security	The Government wrote a letter to all major UK businesses in 2025 regarding "making cyber security a board responsibility".	The Group has focused on strengthening its cyber and control environment. The Audit & Risk Committee received regular updates from the Group's Chief Information Officer and Chief Information Security Officer, including regarding the Group's attainment of the Cyber Essentials Plus certification, the Group's response to the Government's cyber security letter, and internal audit reports on IT and cyber risk. The Committee also received regular updates on improvements to business continuity, including scenario testing and offline fallback processes. These measures help ensure key processes remain resilient in the event of a cyber attack or a major operational disruption.
New homes target	The Government is committed to an ambitious housebuilding target, delivering 1.5m new homes across this Parliament.	We have increased new land investment in recent years and improved our approach to planning to grow our active outlets year on year. During the year, we achieved planning on 12,815 plots, exceeding targets and showing resilience despite policy uncertainty.
Building Remediation	The Government has introduced the Remediation Acceleration Plan, to target an increase in the pace of remediation across the sector.	The Group remains committed to the Government's Remediation Acceleration Plan aimed at accelerating progress on building safety remediation. As part of this joint initiative, the Group agreed to meet accelerated targets on eligible buildings' assessment and works starting. The Group is already well-advanced in the remediation programme and aims to complete works on the majority of buildings over the course of the next two years. This commitment builds on the Group's self remediation contracts with the English, Welsh and Scottish Governments to protect leaseholders from the financial burden of necessary cladding removal and other life-critical safety issues on buildings constructed by the Group.
HS&E expertise	It is essential to maintain a skilled and well-resourced Health, Safety and Environment Department.	Training is key to mitigating health and safety risks, with all workers and subcontractors receiving extensive training. HS&E modules and Toolbox Talks are regularly delivered using Group-wide materials, with topics tailored based on ongoing performance monitoring. In our most recent employee survey, 85% of employees reported that they had received sufficient training to perform their work safely, further reinforcing the effectiveness of our approach. Building on last year's Target Zero campaign aimed at raising safety awareness and accountability, we launched our first Safety Week to strengthen Target Zero, with a focus on manual handling, dust control and our THINK mindset: Team, Health, Incidents, Notice and Knowledge. Our Building a Safer Future Chartered Champion status was retained in 2025, providing independent verification of our leadership and safety culture. A Health and Safety performance metric continues to form part of the Executive Director's annual bonus, reflecting the Group's continued focus on 'Target Zero'.
Community engagement	To reflect the views of local authorities and communities in the plans we develop.	We work with landowners, local communities, and planning authorities to address housing needs and foster positive relationships. By delivering new housing in areas of greatest need, we support local employment and make valuable contributions to local infrastructure.

12,815
plots achieving detailed planning in 2025

310bps
improvement in our NHBC Construction Quality Review score

2,075
homes delivered to housing associations, up 31% on the prior year

Principal decisions

We define principal decisions as both those that are material to the Group and also those that are significant to any of our key stakeholder groups. In making the following principal decisions the Board considered the outcome from its stakeholder engagement (pages 51 to 57) as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between members of the Company. A description of principal decisions made by the Board during 2025 and to the date of this report is provided across.

» Further information regarding the main activities of the Board during the year are set out on pages 88 to 90

Sale of FibreNest

Stakeholders affected by the decision:

1 2 3 5

During the year, the Board approved the sale of FibreNest, our non-core full fibre broadband service, to BUUK Infrastructure. The sale generated a profit on disposal of £11.1m with a net cash receipt of £68.1m received on completion. The sale also removes the need for the ongoing investment that FibreNest would have required in the coming years, providing additional capital for the Group to allocate to deliver its medium-term growth ambitions and to invest further in its growth strategy.

Competition and Markets Authority ('CMA')

Stakeholders affected by the decision:

1 2 5 6

The Group has worked constructively with the CMA throughout its investigation into suspected breaches of competition law, relating to the exchange of competitively sensitive information, by seven housebuilders, including Persimmon.

In July 2025, the Group, alongside the other housebuilders under investigation, voluntarily offered commitments in response to the potential concerns investigated by the CMA. The commitments include an ex-gratia financial contribution of £100m to the government's Affordable Homes Programme, of which the Group's proportionate contribution was £15.2m. The CMA accepted these voluntary commitments. The Group's decision to offer these voluntary commitments does not constitute an admission of any wrongdoing nor does it imply agreement with the concerns expressed by the CMA during the investigation.

Capital Allocation Policy

Stakeholders affected by the decision:

2 5

The Board recognises the importance of sustainable dividends for shareholders and will continue to prioritise value creation from a strong return on capital. The Board's Capital Allocation Policy follows the following key principles:

- Invest in the long-term performance of the Company by ensuring the business retains sufficient capital to continue our disciplined and appropriately timed approach to land acquisition.
- Operate prudently, with low balance sheet risk, and a continued focus on achieving a superior return on capital.
- Ordinary dividends will be set at a level that is well covered by post-tax profits, thereby balancing capital retained for investment in the business with those dividends.
- Any excess capital will be distributed to shareholders from time to time, through a share buyback or special dividend.

The Board announced an interim dividend of 20p per share in August 2025, which was paid on 7 November 2025. The Board has also recommended the payment of a final dividend of 40p per ordinary share for the year ended 31 December 2025 to be paid on 10 July 2026. In determining the capital returns, the Board considered the ongoing performance of the business and prevailing market conditions. The Group's capital allocation policy is to deliver sustainable returns to shareholders by investing in future growth through the disciplined expansion of our land portfolio while maintaining a strong balance sheet. The Board expects to review this policy once the building safety remediation programme is substantially complete.

Our Stakeholders

1. Customers
2. Employees
3. Communities
4. Suppliers and subcontractors
5. Shareholders
6. Government, regulators and industry bodies

TCFD

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ('TCFD')

The Board acknowledges the existence of a global climate emergency and recognises the inherent risks and opportunities that climate change presents to the Group's business model and strategic direction.

As climate change is regarded as a principal risk to the Group, we are committed to providing climate-related disclosures that are fully aligned with the latest recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD'). We remain dedicated to continually enhancing our reporting in accordance with these evolving requirements. During the year, we undertook a comprehensive review of the forthcoming requirements set by the International Sustainability Standards Board ('ISSB') IFRS S2.

Building upon our prior climate risk assessments, we conducted a more detailed transition risk analysis to financially quantify the key material transition risks facing the Group. This approach has deepened our understanding of the potential financial impacts resulting from changes in policies and regulations, fluctuations in greenhouse gas emissions pricing, volatility in raw material costs, energy expenditure, and possible supply constraints. The specialist risk management consultancy Willis Towers Watson ('WTW') provided crucial support with the analysis and modelling of these risks.

In addition, we completed an internal review of the Group's physical climate risks. The outcome indicated no material change to our assessment this year, given the long-term nature of most physical climate impacts. Looking ahead, we intend to revisit and update our physical climate risk assessment in 2026, ensuring our understanding and mitigation measures remain current and robust.

Our commitment to reducing carbon emissions spans both our operations and the entire value chain. We have developed a clear decarbonisation pathway with the ambition to become a net zero carbon business by 2045. To underpin this, we have already established and received approval for science-based targets to be achieved by 2030: a 46% reduction in operational emissions from a 2019 baseline, and a 22% reduction in the carbon intensity of our indirect emissions (including homes in use and goods and services) per square metre of completed floor area, using a 2019 baseline. Furthermore, we aim to ensure our homes in use are zero carbon ready by 2030. Work is ongoing to further define long term reduction targets through to 2045, with the expectation of achieving at least a 90% reduction in emissions. Any remaining emissions will be offset or neutralised using an appropriate mechanism. Achieving this level of carbon reduction will necessitate system-wide change across multiple sectors, with a particular focus on the decarbonisation of the energy grid and fostering collaborative relationships throughout our supply chains.

Our Net Zero Carbon Transition Plan (see pages 31 to 34) sets out our comprehensive strategy for reducing both direct operational emissions and indirect emissions arising from our homes in use and our supply chain. Performance against the key metrics of this plan is detailed on page 68.

1 Governance

Climate change is considered a principal risk for the Group and, as such, it is governed and managed in line with our risk management framework.

» See page 71 for further details

The Board has overall responsibility for the management of risks and opportunities arising from climate change and, on an annual basis, undertakes a Group-wide risk review, which includes consideration of climate risk. In particular, the Board has taken an active role in understanding the impacts of future legislation with a focus on the implementation of the forthcoming Future Homes Standard and monitoring the reduction in carbon emissions aligned with our Net Zero Carbon Transition Plan.

The Sustainability Committee supports the Board's climate responsibility and oversees the Group's climate change strategy to ensure climate issues are being effectively considered and that the business remains on track to meet its science-based reduction commitments Progress updates are provided regularly to the Board, and to the Executive Committee. During 2025, the Sustainability Committee focused on business readiness and planning for the Future Homes Standard, and ensured that operational carbon reduction initiatives remained on track to deliver the Group's net zero and science-based target carbon emissions reduction commitments.

The Group Sustainability Director and Group Strategy & Regulatory Director are responsible for ensuring climate risks within the Group risk register remain relevant, and consult with key Group functions to ensure comprehensive coverage of potential impacts and mitigation plans as required. The Sustainability Committee is made aware of any changes and actions required.

When considering our land investment opportunities, the Managing Directors of each operating business are responsible for ensuring all environmental surveys, including flood risk assessments, are undertaken before acquisition, with final approval going to the Land Committee, which oversees all acquisitions.

All planning applications are reviewed by the Group Planning department before submission, providing additional assurance. Developments are required to produce an energy transition plan to ensure consideration of site needs, appropriate energy solutions, and customer requirements as new energy standards come into force. An internal annual climate risk health check was undertaken again this year.

TCFD continued

2 Strategy

Our strategy sets out our pathway to achieve net zero carbon by 2045, with clear actions to reduce carbon emissions from our operations, our homes in use and our supply chain. We have near-term science-based carbon emissions reduction targets of 46% for Scope 1 and 2 absolute emissions, and 22% per m^2 completed floor area for Scope 3 emissions by 2030, which are approved by the SBTi. We aim to be zero carbon ready for our homes in use by 2030. We have committed to setting long-term reduction targets, and are in the process of establishing these targets through to 2045. We expect to reduce emissions by at least 90%, with the remainder being offset or neutralised.

We have defined four strategic focus areas to achieve our ambitions:

1. Create low-carbon homes

- Reduce energy demand: design homes to be more energy efficient.
- Understand performance and customer experience: gather real-life in-use data and feedback from our low-carbon home trials and customers.
- Innovation: continue to instigate technology trials to be at the forefront of innovation, build strategic relationships with our supply chain and continue to invest in our off-site manufacturing facilities.
- We are currently implementing Part L of the Buildings Regulations 2021, delivering a 31% reduction in carbon emissions, and readiness plans are in place for the Future Homes Standard, which is anticipated to come into force from 2026/2027.

2. Deliver low-carbon site operations

- Reduce our use of fossil fuels across our sites, and switch to low-carbon alternatives when appropriate.
- Introduce new technologies such as electric and hybrid equipment and machinery when available and appropriate.
- Set standards and benchmarks for energy reduction and management on site.

3. Reduce the embodied carbon and whole-life carbon emissions from goods and services

- Identify high-impact materials and services, and establish reduction plans over the longer term.
- Maximise the benefits from our vertical supply chain and opportunities through design.
- Supply chain: work with our supply chain to reduce embodied carbon in materials and whole-life carbon impacts.

4. Ensure climate change resilience

- Climate risk management: assess our strategic land holdings and any major business change for climate resilience and mitigation.
- Design: design in climate risk reduction measures, such as window sizing, orientations and modern methods of construction.
- Nature-based solutions: utilise blue and green infrastructure to mitigate against extreme weather events such as flooding and droughts.

Climate scenario analysis

We have identified climate change-related risks and opportunities over the short, medium and long term that are considered to have a potentially material financial impact on the Group's strategy and business model.

Following best practice and TCFD recommendations, contrasting science-based scenarios have been developed to enable consideration of the Group's exposure to both physical and transition risks. These scenarios have been considered over three different time horizons:

- short term (end 2027), medium term (end 2030), and long term (to 2040+).

These timescales have been chosen as the most relevant to the business, reflecting major future legislative change expected in 2026/2027 with the introduction of the Future Homes Standard and aligning with the Group's near-term and long-term net zero carbon and science-based target commitments.

1.5°C aligned

Assumes climate policies and controls are introduced early and become more stringent over a relatively short timeframe (2030). High transition risk in the short term and very aggressive mitigation measures, but as a result, physical risks are less severe compared to the 2°C scenario. Achieves a managed transition to a low-carbon economy.

~2°C aligned

Maintains similar regulatory requirements in the short term, then requires more aggressive mitigation actions to reduce emissions. As a result, physical risks are less severe compared to the 4°C scenario.

~4°C aligned

Low transition risk in the short and long term as the world fails to transition to a low-carbon economy. Consequently, physical risks become increasingly frequent and severe in the long term, resulting in a serious impact on the global economy, environment and human wellbeing. Adaptation becomes necessary.

In the updated transition risk analysis, the 4-degree scenario has been updated with a 'Business as Usual' ('BAU') which is a market expectations scenario aligning to current policies and the Group's committed targets and investment plans. Temperatures are likely to exceed 2 degrees with no further global climate ambition, and this approach presents the most realistic at the current time. With the Future Homes Standard ('FHS') aligning UK homebuilding to a 1.5-degree pathway, and as the legislation is imminently expected to come into effect, the FHS has been considered as part the BAU scenario.

We are aligned to a 1.5-degree pathway through our climate commitments, but other sectors and businesses may not, therefore limiting our ability to achieve our targets. The transition risk analysis undertaken incorporates our existing strategy and commitments based on what is feasible in each scenario and then assesses our residual risk from external factors. These maybe mitigated by business decisions (e.g. switching suppliers) or market factors (e.g. cost pass through).

Climate scenario analysis outputs

From the scenario analysis that has been undertaken, the residual risks for the business are considered to be low to very low for both transition and physical risk. This is based on current activities and control measures that are in place. The tables on pages 61 and 63 to 66 provide a high-level summary of the types of risks, their potential impact, the time horizons which have been considered and our response.

3 Risk management

Transition risk analysis

The transition risks are anticipated to occur in a relatively short timeframe compared to physical risks, and this is already being seen with increasing legislation on energy efficiency in homes coming into force, with changes to Part L of the Building Regulations and the Future Homes Standard, for example. This will drive changes in technology and customer expectations, and we are already evaluating alternatives, trialling innovative technologies and engaging with suppliers.

	Summary description of transition risks	Potential impact ranking	Timeframe of impact	Business action
Policy and legal drivers				
Pricing of GHG emissions	Carbon pricing could manifest as a range of environmental, planning or sector-wide taxes. Approx £90/tonne in 2030 across all scenarios, diverging by 2040 to £130 BAU and £240 in 2- and 1.5-degree scenarios. By 2050, £165 in BAU, £630 in 2-degree, and £990 in 1.5-degree (source: WTW, NGFS, IEA scenarios). Carbon pricing could impact the business through material costs.	High	Short–medium	Updated
Climate-related regulations impacting products and services	Increasing stringency of building and planning regulations and design requirements to enable the UK Government to meet its 2050 net zero carbon target, including, the Future Homes Standard, National Policy Planning Framework and National Model Design Code. Many local authorities have declared their own climate emergencies, and imposing certain planning conditions on new build homes. This could impact our development and growth plans and increase build costs.	High	Short–medium	Updated
Climate change litigation	Climate-related litigation claims may be brought by investors, insurers, shareholders and public interest organisations. Reasons could include failure to adapt to climate change causing harm or greenwashing.	Low	Medium	Include in future plan
Enhanced reporting obligations	Additional emissions-related reporting requirements likely in the UK by 2030. This could include needing a materials passport in order to increase the circularity of building supply chains and updates to the Streamlined Energy and Carbon Reporting ('SECR') regulations. Scope 3 emissions reporting could also become mandatory.	Low	Short–medium	Include in future plan
Technology shifts				
EV use	To achieve the UK Government's net zero carbon commitment by 2050, there will be an increasing number of electric vehicles. Sufficient charging points and grid capacity will be required, which will have an impact on build costs.	High	Short–medium	In plan
Substitution of technology	Risk of installing technologies at the beginning of a planning process that then become obsolete or outdated. Could affect customer satisfaction and sales. This is especially relevant at the point of the implementation of the Future Homes Standard.	Medium	Short	In plan
Market drivers				
Change in customer demands	There is a risk that if energy prices increase, customers will demand lower-carbon homes and expect greater energy operational efficiency. Inefficient properties could also fall in value, which could impact the market.	High	Short	Updated
Supply chain resilience and increasing cost of raw materials	Sourcing and availability of materials could be impacted by both transition and physical risks. There is a risk of increasing development costs, due to supply constraints, and potential carbon pricing on key materials such as glass, steel, cement, PVC and insulation.	High	Short–medium	Updated
Changing cost of energy	Shifts in energy supply, pricing volatility and regulatory changes driven by the climate transition could impact costs of products and services.	Low	Medium	Updated
Cost of capital	As credit ratings begin to incorporate climate change considerations, there is a risk of downgrading and the cost of capital increasing.	Low	Medium	In plan
Low-carbon technology availability	Rapid uptake of low-carbon technologies such as air source heat pumps could cause market shortages and delay delivery of homes.	High	Short	In plan
Skill shortage impacting ability to install low-carbon technology	In order to reduce emissions to comply with planning requirements, access to different skills such as renewable specialists and heat pump installers will be required. A shortage could lead to delayed delivery and an increase in build costs.	High	Short	In plan
Reputation				
Investment risk	Risk to revenue and investment streams as clients and investors increasingly expect high levels of sustainability performance.	Medium	Medium	In plan
Stakeholder risk	Over the next decade social pressure regarding sustainability and increased public awareness could create a reputational risk if there is failure to reduce both operational and embodied carbon. The impact of this could be seen through delays in the planning process as local authorities enact their own climate action requirements.	Medium–high	Short–medium	In plan
Employee risk	As employees are becoming increasingly concerned with climate change issues, negative publicity around failure to deliver targets could make it difficult to attract and retain talent.	Low–medium	Short–medium	Included in employee survey

TCFD continued

3 Risk management continued

Quantification of transition risk

The updated transition risk analysis comprehensively covers all three climate transition scenarios over the period from 2025 to 2040. The assessment provides an annual time series estimate of quantified risk for those elements identified as most material, where adequate data was available to enable financial quantification. The following approach was taken:

1. Pricing of greenhouse gas ('GHG') emissions

The latest available emissions data, alongside Scope 1 and Scope 2 carbon reduction targets, were utilised for this analysis. Estimates of future carbon pricing were incorporated to assess the potential financial impact of emissions-related costs on operations.

2. Climate-related regulations affecting products and services

Alignment with the UK Future Homes Standard will necessitate increased development costs to ensure that all new homes are zero carbon ready in use by 2030. Internal estimates of these uplift costs, together with projections for the number of homes to be built, have been factored into the analysis to measure the regulatory impact on business operations.

3. Capital investments in net zero technologies

Transitioning to low-carbon construction equipment represents a newly identified risk. This shift may result in increased costs; however, the most optimal decarbonisation route – whether Hydrotreated Vegetable Oil ('HVO') or green hydrogen – remains uncertain. As a result, sensitivity analysis has been conducted to account for this uncertainty and its implications.

4. Changing cost of raw materials

Expenditure on raw materials was broken down by key categories, including steel, concrete, timber, bricks, plasterboard, PVC piping, copper wiring, windows/glass, and thermal insulation. Additionally, key components such as Air Source Heat Pumps ('ASHPs') and solar photovoltaic ('PV') systems were analysed. The analysis quantified the cost changes resulting from the transition for each material and component, offering enhanced visibility on areas of concentrated risk within the value chain.

5. Changing cost of energy

Energy costs were separated from those of raw materials and analysed according to fuel type – including electricity, gas, diesel, HVO and others. The assessment considered potential future cost changes arising from the transition, with emissions reduction targets incorporated to evaluate their influence on overall energy expenditure.

6. Changing consumer preferences

There is the possibility of short-term price premiums associated with earlier compliance with the UK Future Homes Standard. However, these premiums are likely to dissipate once all new-builds are required to comply. Due to limited available data, this factor was not financially quantified as it remains challenging to determine the precise drivers of home premiums and the value consumers place on energy efficiency and zero carbon homes.

Detailed raw materials and supply chain impact assessment

A detailed analysis has been carried out to understand the impact of transition risk on raw materials and the supply chain. In the coming years, increases in carbon pricing will be reflected in the cost of procuring carbon-intensive raw materials affected by regulations such as the UK Emissions Trading Scheme ('ETS') and the UK Carbon Border Adjustment Mechanism ('CBAM'). This will particularly affect commodities currently regulated, such as steel and concrete, under the Business-As-Usual ('BAU') scenario.

In transition scenarios, higher carbon prices are expected to incentivise producers to accelerate the decarbonisation of production rather than simply passing through escalating carbon costs, which could render these materials uneconomical. In the short term, such 'green premiums' may increase procurement costs, especially in a more aggressive 1.5°C scenario. However, in the longer term, it is anticipated that decarbonised products will become more cost-effective compared to the BAU scenario, where rising carbon costs are passed on by suppliers who delay decarbonisation. Thus, lower costs are possible in a green transition scenario compared to a BAU context.

Other commodities, such as copper and timber, also experience cost increases in the transition scenario, primarily due to increased demand in 2°C and 1.5°C worlds, while supplies remain constrained, thus pushing up commodity prices. While short-term procurement costs for carbon-intensive materials may rise – either due to carbon pricing passed through or green premiums for decarbonised alternatives – it is expected that, in the long term, the transition will prove beneficial if decarbonised alternatives become widely available at competitive prices. This contrasts with a BAU scenario, in which the business faces escalating carbon costs and delayed supply chain decarbonisation.

Transition risk exposure and mitigation

The UK's regulatory framework for the residential construction sector, particularly the Future Homes Standard, is already closely aligned with national net zero commitments. In response, the Group has committed to ensuring that all new homes constructed will meet these standards once the legislation is enacted. As a result, the business does not anticipate any significant revenue risk arising from transition scenarios, given that compliance with forthcoming regulations is already integrated within its operational strategy.

The primary exposure to transition risk lies in the pricing of greenhouse gas ('GHG') emissions, which affects both direct emissions generated by the business and those embedded within its supply chain. Regulatory mechanisms such as the UK Emissions Trading Scheme ('ETS') and the UK Carbon Border Adjustment Mechanism ('CBAM') have the potential to raise the cost of carbon. This increase would mainly occur through higher prices for raw materials, should suppliers choose to pass on the additional carbon costs. The financial impact may arise from two main sources: the need to pay progressively higher carbon costs across all scenarios, or the requirement to procure lower-carbon raw materials that typically attract a premium – though such materials are expected to become more widely available as the transition accelerates.

Despite these pressures, we expect that the potential increase in raw material costs will ultimately be absorbed into the cost of land, resulting in minimal residual risk exposure for the business.

In terms of energy expenditure, the cost of renewable energy is anticipated to decrease under transition scenarios. Since we purchase 100% of our electricity from REGO-backed renewable energy (for our offices, sites, manufacturing, facilities and supplies to our plots whilst under our ownership) we are positioned to benefit from expected reductions in energy costs as the transition progresses. Nonetheless, the decarbonisation of operations will require increased investment in net zero technologies in the short to medium term. However, these initial investments are projected to be offset over time by lower operating and maintenance costs in the long term, thereby supporting overall cost savings for the Group.

The table below summarises the quantified outputs from the transition risk assessment. In all cases the estimated financial impact is shown against a BAU scenario, which is based on an assumed rate of inflation and forecast business growth. In all climate scenario modelling, assumptions have to be made and forecasting models (such as future global energy prices, future material prices) used.

Risk type	Metric type	Short term (2027)		Medium term (2030)		Long term (2040)		Adaptation/Mitigation options
		< 2°C	1.5°C	< 2°C	1.5°C	< 2°C	1.5°C	
Policy and legal risks								
Pricing of greenhouse gas ('GHG') emissions								
In the short and medium term under both a 1.5°C and 2°C scenarios, pricing of GHG emissions is expected to increase in the same way as BAU, in order to drive market changes required to meet national emissions reductions targets. This could be through higher Climate Change Levy taxes or an additional sector-wide policy such as the UK Emissions Trading Scheme or Carbon Border Adjustment Mechanism. In the long-term transition scenarios, the increase reflects, the predicted increase in carbon prices.	Difference to BAU carbon costs	—	—	—	—	0.87M	0.87M	Detailed Net Zero Carbon Transition Plan in place laying out our carbon reduction actions to 2045. Our vertical integration strategy reduces our exposure to carbon pricing impacts.
Climate-related regulations impacting products and services								
The FHS costs are already factored in as BAU. The negative numbers indicate that compared to a BAU scenario, the FHS uplift would reduce in transition scenarios, as the cost of ASHPs is expected to decline over time. This is seen most significantly in the 1.5 degree scenario.	Difference to BAU (includes FHS cost) uplift cost	-1M	-2M	-12M	-18M	-20M	-27M	Business readiness plan for the FHS implementation is already in place. Whilst the business will experience greater costs to comply with the FHS within a BAU scenario, these will be mitigated in land valuations.
Technology risks/opportunities								
Capital investments in net zero technologies								
The impact of transitioning to low/zero carbon technologies for operations, such as hydrogen fuel has not been quantified as it is not yet commercially available. Transition to low-carbon technologies may increase shorter-term capital costs for Persimmon with potential for longer-term benefits through operational cost savings.	N/A							Detailed Net Zero Carbon Transition plan in place. Engagement with hydrogen-fuelled construction fleet suppliers.
Market risks/opportunities								
Increasing cost of raw materials								
Development costs may increase if suppliers pass on the carbon pricing applied to high-carbon building materials (such as steel, cement, copper, aluminium). Under transition scenarios, the effects of carbon pricing are lower, due to decarbonisation and alternative products being available at scale. Whilst these alternative materials will likely come at a higher initial cost, this increase is expected to be less significant than the cost escalation anticipated under a BAU scenario, where carbon prices continue to rise without substantial decarbonisation. The transition scenarios account for potential cost increases from commodities that face constrained supply and growing demand (timber and copper). The impact of material availability and market dynamics is factored into overall cost projections during the transition to lower-carbon construction practices.	Difference to BAU costs (total spend)	4M	10M	-7M	21M	-45M	-1M	Detailed understanding of raw materials risks – strategic supplier engagement in place to develop cost-effective solutions and material alternatives. Cost impacts will be mitigated through inclusion in land valuations.
Changing cost of energy								
While electricity prices remain more or less flat (in nominal terms) over the long term in the BAU scenario, under the 1.5°C scenario, electricity costs are expected to decline faster than in BAU due to the greater deployment of renewables and energy storage driving down costs. Continued use of diesel will be subject to ever-increasing carbon costs. HVO offers a short-term opportunity, but is supply constrained in the long term.	Difference to BAU costs	-0.8M	-1.1M	-1.1M	-1.7M	-2.0M	-4.6M	Detailed Net Zero Carbon Transition Plan in place. Already purchasing 100% REGO-backed electricity (excluding travel), switched to hybrid diesel generators.
Changing consumer preferences								
The market recognition of the value of low-carbon homes is still evolving, with limited green mortgages to drive change. With the introduction of the FHS expected in force by 2027/2028, highly energy-efficient, zero carbon ready homes in use will become the norm for new-builds. There is limited data to properly quantify the added financial value which will be delivered.	N/A							Delivering high-quality affordable sustainable homes is a key business priority. Customer research and engagement on alternative low-carbon heating solutions.

TCFD continued

3 **Risk management** continued

Physical risk analysis

While physical risks under the scenario modelling manifest over a longer period, there is already an increasing occurrence being observed of more extreme weather events that are attributed to current climate change. These are typically observed as more excessive snowfall, rainfall, unusually high temperatures and unseasonal weather patterns.

The table below ranks the potential impacts, timescale and readiness based on those that will manifest more significantly in the future.

	Summary description of physical risks	Potential impact ranking	Timeframe of impact	Business readiness
Heat stress	Hot summers are expected to become more common with more extreme temperatures. Under the hot house scenario, heatwaves could last 20 days. This will affect comfort for customers and therefore design criteria will need to be applied to avoid overheating. Construction site conditions and working practices will need to ensure worker health, safety and wellbeing. Heat island effects will also become more prevalent in urban and built-up areas.	High	Medium-long	In plan
Drought	Summers will become drier, with the South of the UK predicted to experience 2.5–3.5 months of drought under the hot house scenario. Locally this will impact water suppliers and will become part of planning considerations.	High	Medium-long	In plan
Precipitation	Greater chance of more rainfall in the winter and less in the summer. Seasonal and regional differences. Impact on site construction activities, customer gardens and supply chain.	High	Medium-long	In plan
Flood	High underlying flood risk in the present day. Under the hot house scenario, there is a 21%–56% increase in river peak flow rates and the probability of flooding in a year could increase three to ten times. Already a key requirement in the planning process. Increased number of flood plains in the future may impact build costs and/or land availability.	High	Medium	In plan
Windstorms	Classed as medium to high risk in all scenarios, but with greater severity under the hot house scenario. Predicted to decrease in the South, but increase in the Midlands, the North, Wales and Scotland.	Medium	Medium	In plan
Sea level rise	Expected between 0.2m–0.6m under the net zero scenario and up to 1.1m in the hot house scenario. This will have an impact on coastal locations.	Low	Long	Include in future plan
Subsidence	Medium-level risk of possible ground instability and building foundation issues. Regions around London are most exposed. In the hot house scenario, there is a higher risk and greater area of impact in the South of England.	Medium	Long	Include in future plan
Infrastructure	The stress on water and energy utilities, together with road transportation, will increase. In the hot house scenario, there is the expectation of disruptions to critical services. This could impact supply chains and result in production downtime.	Medium	Long	Include in future plan

Quantification of physical risk

For physical risk, the risk to the Group's portfolio of owned assets was explored in relation to eight physical climate perils: chronic heat stress, chronic drought stress, sea level rise, extratropical cyclone, fire weather, river flood, precipitation/flash floods, and subsidence.

The exposure to these climate perils (hazard exposure) was modelled by taking the regional view of the UK, weighted by the average volume delivery where Persimmon has operated over the past four years. The models assess the climate hazards under a range of GHG emission trajectories (1.5°C–2°C, and 4°C global warming) and the 2030 and 2040+ time horizons. This information was then used to assess the potential consequences to the Group's business and explore with the Group's internal subject matter experts what controls and strategies exist in place to address the possible consequences and how those will flow through the value chain.

	By 2030 assuming 1.5°C–2°C global warming			By 2050 assuming 4°C global warming		
	Hazard exposure	Residual risk	Chronic risks	Hazard exposure	Residual risk	Chronic risks
Heat stress	Very low	Very low	Currently, the UK is exposed to very low heat stress, meaning on average there are fewer than five heatwave days in a year. Changes in regulations and design concerning overheating and energy efficiency are likely for the short term (2025–2030), but the additional costs to the business to implement them would not be significant as those could be factored into the land valuation process. No other impacts or vulnerabilities are foreseen and therefore our residual risk is very low.	Moderate	Very low	Under this scenario, some regions of the UK, mainly London and the South, will be exposed to a higher heat stress, seeing an average of 5–20 heatwave days in a year. Those conditions could be relevant to ~40% of the average homes built by Persimmon, primarily in the South East of England. However, we currently factor conservative temperature and heat stress forecasts into our designs to address overheating. Heat-minimising solutions could be factored into building design and planning. Future regulation could require further adaptation/design measures that are typically considered in any land valuation exercise. More frequent interruptions to construction operations and supply chain are likely in the summer periods.
Drought	Low	Very low	Around 50% of the volume delivery in the regions where Persimmon operates have some level of drought stress potential, in particular the Midlands and the South of the UK. This means, on average, ranging from less than a month to over two months of drought duration per year. The remaining 50% have a lower drought stress potential. We take measures for our current homes to keep water usage lower than average. Any additional development costs are typically recovered through land valuation. There has been no significant financial impact on the business so far, and the residual risk is therefore considered very low.	Moderate	Low	The risk increases. A third of our typical operating regions/homes could face three to four months of drought duration per year, in particular in the South of the UK. There could be further regulations for water (re)use that could put additional costs on developments in the South East. We would consider this issue on a site-by-site basis and currently undertakes water usage calculations for our developments. Any additional costs would be considered in the land valuation process. Operationally, water scarcity could cause delays in construction or supply and cost issues for water-based construction materials.
Sea level rise	Very low	Very low	Some regions of the UK where we operate are exposed to coastal flooding and storm surges. Typically, only a small fraction of plots and volumes could be exposed; however, the robust land investment appraisal process today considers such localised high-risk areas and minimises the possible business impacts.	Very low	Very low	Although the sea level is projected to rise and increase the frequency and severity of storm surges to those coastal regions already exposed, the fraction of land and possible future developments in the regions we operate in is likely not to increase significantly. The risk is minimised through our robust land investment valuation process.
Subsidence	Low	Very low	No significant changes in subsidence conditions today or in the short term. Typically, we operate outside London, where a higher concentration of susceptible clay soils is found. Current design regulations mitigate the risk.	Moderate	Very low	Possible increased risk for future development and some exposure in the South East. More conservative regulations could be introduced for foundation design and groundworks. Any additional costs would typically be mitigated via land procurement.

Risk scale

Very high	High	Moderate	Low	Very low

TCFD continued

3 **Risk management** continued

Quantification of physical risk continued

	By 2030 assuming 1.5°C–2°C global warming			By 2050 assuming 4°C global warming		
	Hazard exposure	Residual risk	Chronic risks	Hazard exposure	Residual risk	Chronic risks
Windstorm	Moderate	Low	All of the UK is in stormy regions, with a 1% annual chance of having severe wind gusts of over 121km/h, and approximately half of the typical regions and homes we deliver could see higher wind gusts of 161–200km/h. We currently comply with all up-to-date wind design regulations for our developments, which mitigates the risk. Operational disruptions in construction, supply chain and utilities are, however, possible. Direct and indirect physical damage from extreme storms could create financial impacts and delays to construction programmes.	Moderate	Low	There is no scientific evidence that extra tropical cyclone intensities and frequencies will increase significantly; therefore, the risk profile could be broadly similar to current conditions. Although the risk is not changing significantly and adaptation is likely not required, we will consider a strict level of wind protection in design and risk management for operations on site.
Fire	Very low	Very low	Currently, 25% of the typical volumes and regions are exposed to low fire weather stress, with 5–20 days of fire weather conditions per year. Other regions have a very low exposure to fire weather conditions, equal to less than five days annually. As a consequence, fire weather is not considered a material risk. There is potential for indirect supply chain risks and issues sourcing timber material from overseas. No financial impacts have been reported at present.	Low	Very low	Under the high-emissions scenario, by 2050, the fire weather conditions increase for some regions we operate in, but risk is still considered relatively low, and as a consequence fire weather is not considered a direct material risk to the business. There is a potential that timber raw materials could be disrupted due to wildfires elsewhere; however, that risk is not projected to increase for key regions upon which we rely, like Scandinavia.
Flooding	Very low	Very low	Some regions of the UK where we operate are exposed to river flooding. However, this is a very localised risk. Typically, only a small fraction (~5%) of plots are in zones with a 1% probability of significant flooding in a year. The robust land selection process in place today, together with extra flood design considerations and loading factors for future changes, minimises key impacts on current and future homes.	Very low	Very low	Although the percentage of plots in flood zones does not increase significantly, projected changes indicate that the frequency of flood events could increase in the UK. We could be impacted by additional flood regulations and higher adaptation/mitigation costs for developments, as well as potentially more frequent interruptions to operations. Restrictions on land supply are also possible. We carry out due diligence before land investment and factors in increased river flows in flood design and planning, minimising impacts. Any additional costs are normally considered in the land investment appraisal process.
Precipitation	Very low	Very low	A small proportion of regions (3%) is exposed to moderate or higher risk of precipitation, meaning two to seven days with more than 30mm of rainfall. We consider rainfall parameters in drainage design, which minimises this risk.	Very low	Very low	There is a small projected increase in heavy rainfall compared to the present day. Current design considerations could be sufficient for future changes, but additional regulations could emerge, creating additional costs.

We benefit from having a wide range of developments across all regions of the UK, which mitigates the range and variety of physical risks that we are exposed to. This also informs where risk may become more predominant, and avoidance and mitigation strategies can be put in place. We have a robust land investment appraisal and planning process where all potential sites are evaluated for climate risk, thereby mitigating potential business impacts.

Risk scale

Very high	High	Moderate	Low	Very low

Resilience of the Group's business strategy and business model

We have in place a number of climate change mitigation strategies and identified opportunities as part of our business model. These have been further informed by the detailed transition risk analysis, which has considered the potential risks and opportunities at a more granular level and assessed potential financial implications.

Detailed insights into material transition risks have been gained, enabling strategies to be put into place to most effectively minimise and mitigate potential risks. Key commodities with carbon pricing effects, and with greater demand in a transition, have been analysed and engagement with our supply chain partners has commenced. Our vertical integration strategy supports the transition to lower carbon and provides resilience.

We, as is standard in the industry, reflect development costs when performing land valuations, and potential climate risks are considered in the same manner. Land values will be reflective of potential mitigation costs; however, there may be challenges in the future where land in certain locations is in scarce supply, or where land values are regionally low and will not support potential additional reductions from climate mitigation costs. Engagement with key suppliers and building strategic partnerships, as well as driving for innovation, is advanced within the business and provides a strong foundation to further mitigate climate-related costs.

A high-level internal annual climate risk health check was performed in 2025 to ensure the controls and mitigation measures identified as part of the climate risk assessment remain in place and are effective, and to identify whether anything had changed within the business to present a new risk or opportunity. As a detailed transition risk assessment was undertaken this year, the focus was more aligned to ensuring physical risk controls remained in place.

From the scenario analysis that has been undertaken, the residual risks for the business are considered to be low to very low for both transition and physical risk.

Transition risk mitigations and opportunities

- We have used core house types across our national network of development sites, which help ensure that any new regulatory requirements can be effectively and consistently applied.
- We deliver increasingly energy-efficient homes, thereby attracting a strong customer base.
- We have developed our low-carbon/zero carbon ready homes strategy. The Future Homes Standard ('FHS'), expected in 2026/2027, will require homes to produce 75%–80% less carbon emissions. This will require a switch to alternative heating systems such as air source heat pumps, higher levels of insulation and air tightness, and additional energy recovery or generation technologies. We are already well placed to deliver this.
- All development sites have an Energy Transition Plan in place, which identifies the site build maturity and regulatory transition periods and identifies appropriate energy heating solutions. The next few years will see a combination of heating solutions as, in some cases, existing planning permissions will be for gas systems.
- We have several pilot projects to assess the most effective method of achieving the FHS. The pilot projects are being used to: trial new technologies; assess the most effective build methods of achieving the improved efficiency required using a 'fabric first' approach; and gain feedback from customers on the 'liveability' of the homes.
- The improved efficiency of new homes is also a significant opportunity for us as we develop homes that are more energy efficient, more appealing to customers and have a lower impact on the environment.
- In designing our developments, particular attention is paid to all issues that surround the policy transition necessary to achieve new, more stringent climate and environmental policy requirements. To deal proactively with local and site-specific interpretation/application, we have developed design and access statement templates aligned with the National Model Design Code.
- Our business model includes vertical integration; we own a timber frame, wall panel and roof cassette manufacturing facility. These modern methods of construction assist in building low-carbon homes, with a reduced build time.
- Strategic discussions with core suppliers have commenced on identified commodities that face carbon pricing impacts and resource constraints.
- Our UK-wide and diverse high-quality land holdings support our strong network of outlets and ensure we are well positioned to invest in land at the right time in the cycle. The strong gross margins embedded in our existing landholdings help to absorb potential volatility caused by increasing building costs.
- Our significant ongoing investment in training ensures that we maintain an appropriate skill base to manage changes to operations and processes required by climate change mitigation requirements.

Physical risk mitigations and opportunities

We already manage a number of potential physical risks, such as flooding, as part of our planning activities, and understand the financial implications.

- We undertake comprehensive environmental and flood risk assessment for each potential land acquisition that we make, and for strategic land considerations.
- Planning requirements principally influence the requirements for any flood mitigation and drainage requirements, and there is increasing consideration for use of blue and green infrastructure. The forthcoming mandatory sustainable urban drainage systems ('SUDS') regulations for England have been assessed, and we have considered the opportunity to support Biodiversity Net Gain requirements.
- The detailed climate risk analysis provides more in-depth understanding of potential physical climate risks and the impact they could have on the business over the medium to long-term horizons. This information has informed the Group Land and Planning team when considering future site locations and land viability costs.
- We have a UK-wide network of sites and therefore have significantly reduced exposure to potential regional climatic risks, and are able to strategically consider potential development locations.

TCFD continued

3 **Risk management** continued

Resilience of the Group's business strategy and business model continued

As a principal risk for the Group, climate risk is governed and managed in line with our risk management framework; see page 71. The framework requires identification of the risk, evaluation of the potential impact, the consequences, allocation of the risk owner, probability assessment, description of controls and controls owner, and finally an evaluation of any residual risks. Our identification and assessment of risks is managed by the Audit & Risk Committee, with the Board taking ultimate responsibility for risk management.

The climate risks, their potential consequences and their current impact on our business model are identified and reviewed by our Executive team, senior members of the Group Finance team, the Group Sustainability Director and the Group Director of Internal Audit. A wide range of insights and resources are used to ensure climate-related impacts are effectively tracked and considered, including climate insights and trends, emerging legislation and Government policies, consultations, local authorities positions and industry body resources.

The climate risk register is reviewed and updated as required. It is arranged into transition risks and physical risks. As risks are identified, we consider whether the business strategy and business model already manage/mitigate the relevant risk.

If any gaps are identified, then following the risk framework, we establish the appropriate response.

The climate scenario analysis and detailed climate risk analysis and modelling have provided a detailed assessment of transition and physical risks against three time horizons. This has provided a greater depth of understanding and enabled prioritisation of climate-related risks, and we will continue to embed the findings into our climate risk and opportunities management.

4 **Metrics**

We monitor emissions from our operations, which have been measured following the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition). Detailed GHG emissions information is located on page 39 following the requirements of the Streamlined Energy and Carbon Reporting requirements, and disclosures are for Scope 1 and 2 and an emerging level of information for Scope 3 (supply chain products and services, and homes in use).

We are committed to playing our part in the international effort to reduce greenhouse gas emissions by reducing its emissions across the business operations and also the supply chain and from the homes we sell.

We have set a target to be a net zero carbon business by 2045. This commitment is supported by near-term approved science-based carbon targets to reduce our operational emissions (Scope 1 and 2) by an absolute of 46% (vs 2019 baseline) and our indirect emissions (Scope 3) from our supply chain and homes in use by 22% per m^2 completed floor area by 2030 (vs 2019 baseline). These reductions will be achieved through wider supply chain engagement, product innovation and changes to current operational processes. Long-term net zero carbon targets are being progressed, with the expectation of a reduction in our operations and across our value chain of at least 90%, with the remaining 10% being offset through a suitable mechanism.

The Board believes in the importance of ESG, and the Remuneration Committee implemented an environmental 2023 PSP environmental target linked to reducing Scope 1 and 2 carbon intensity. Subsequent PSP environmental targets for 2024 and 2025 have been set, aligned to absolute carbon reduction measures.

The table opposite shows our climate-related metrics and targets.

Time period	Target	Metrics	Climate risk/ opportunity	2025 status/comments
Short term (2022–2025)	Continue to embed climate risk and opportunity analysis into the business strategy and operations	Qualitative		Group Executive, Regional Chairs receive business-wide bi-monthly diesel use figures Establishment of Future Homes Implementation Group
	Scope 1 and 2 – reduce our operational footprint	Absolute carbon reduction (market based)	Carbon pricing	Reduced by 17% compared to 2024
	Maintain 100% carbon neutral electricity purchased – green/REGO backed	100% REGO-backed electricity purchased	Carbon pricing	100% achieved for our offices, sites, manufacturing facilities and supplies to our plots whilst under our ownership
	Undertake embodied carbon assessments, set reduction targets	Tonnes CO2/m^2 completed floor area	Increasing cost of raw materials	Embodied carbon study undertaken Targets under development
	Supply chain engagement on embodied carbon	Action plans in place to reduce carbon content of top CO2 contributors	Increasing cost of raw materials	Successful trial of c.30% Ground Granulated Blast Furnaced Slag ('GGBS') undertaken. Rollout planned 2026/2027
Medium term	Homes to be zero carbon ready in use by 2030	% homes completed per year with an EPC A or B rating	Changing consumer preferences	99.5% achieved
	Reduce absolute Scope 1 and 2 GHG emissions by 46% by 2030 (2019 baseline)	Tracking against SBT near-term transition pathway – tonnes CO_2e against a 2019 baseline	Carbon pricing	On track » See GHG table on page 39
	Reduce Scope 3 carbon emissions (purchased goods and services, and use of sold products) by 22% per m2 completed floor area by 2030	Tonnes CO_2e/m^2 completed floor area against a 2019 baseline	Climate-related regulations impacting products and services	On track » See GHG Table age 39 Increasing transition to low-carbon energy systems e.g. ASHPs Embodied carbon study undertaken to assess most significant materials
Long term (2040+)	Net zero carbon business by 2045	TBD (expected at least 90% reduction in operational and value chain carbon emissions	Business resilience	Net zero Transition plan developed » See pages 31 to 34

Progress in 2025 and 2026 priorities

Progress against the actions identified for 2025 is shown below:

2025 priority	2025 progress
Climate risk health check: whilst the level of risk is overall quantified as very low to low, this is based on mitigation measures remaining in place, and we will ensure there is no loss of focus and rigour in its approach. An annual 'climate risk health check' will be undertaken as part of our risk management strategy.	A high-level internal annual climate risk health check was undertaken focusing on physical risk controls and confirmed no material changes to current controls and measures, and the potential risks remain the same. The transition risk was updated and undertaken with support from specialist risk management firm, WTW.
Development of science-based target aligned long-term net zero carbon targets.	A commitment to set long-term SBTs has been made, and targets are under development.
Deep dive into flood risk and resilience will be undertaken.	Following a review of business priorities, and timescales associated with climate risk, this objective was changed to undertaking a full update of transition risk and providing financial quantification, and aligning to IFRS 2 Standard.
Mapping of key supply chains will commence.	This has commenced as part of the updating of the transition risk assessment.

Priorities for 2026

- We will conduct an annual climate risk health check to ensure controls remain in place and are effective.
- Embed the findings from the updated transition risk assessment, leading with supply chain strategy and engagement.
- Conduct a review of the physical risk assessment and update as necessary.

Principal and emerging risks

RISK MANAGEMENT

Our approach to managing risk

The Board recognises that Persimmon is exposed to a range of risks that could threaten our ability to deliver on our strategic objectives and drive value for all of our stakeholders. As such, ensuring we have an effective mechanism for risk management is essential to our future success. This is delivered through the Group's well-established risk management framework, which involves input from all levels of our operations to assist in the identification, management and ongoing monitoring and reporting of risks.

Risk management framework

Overall responsibility for the oversight of risk sits with the Board. This responsibility is largely discharged with the support of the Audit & Risk Committee, which in turn works closely with the Management Risk Committee as the key business forum for risk oversight. Many of the strategic aspects of risk management are carried out on a 'top down' basis, with the Board and Audit & Risk Committee agreeing overall appetites and tolerance for our principal risks, providing challenge to management on their approach to mitigating and monitoring these risks effectively, and ensuring the accuracy and integrity of our risk disclosures. Alongside the strategic consideration of risk, a 'bottom-up' approach is in place, with risk management integrated into day-to-day activities at all levels of the Group. This helps to ensure that risks are effectively mitigated at an operational level, and any emerging risk areas are identified, assessed and escalated appropriately. Risk management activities are also supported by work from both internal and external providers of assurance and independent review. The diagram on the next page provides a schematic of our risk management framework and how the different elements interact.

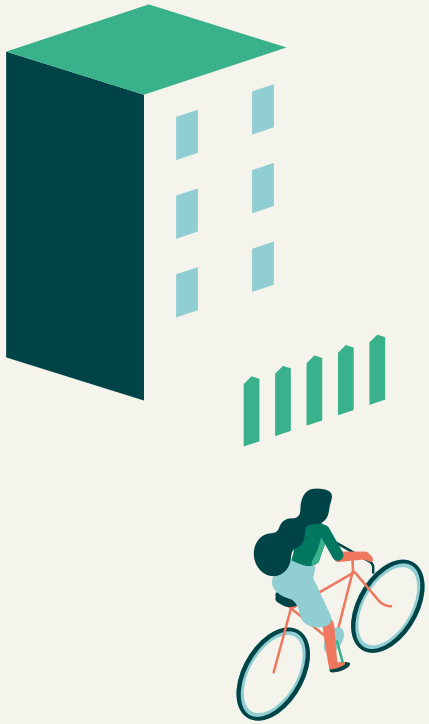
Our risk management framework has been in place for several years, and continues to evolve in response to increasing complexity and pace of change in the external environment. In this context, the Board has overseen various initiatives within 2025 to enhance the maturity of our risk management processes and support continuous improvement. The role of the Management Risk Committee has expanded, enabling greater focus on key risk areas such as cyber risk and business continuity planning. A new risk management strategy has been developed and agreed with the Audit & Risk Committee, with additional specialist resource deployed within the Group Risk & Internal Audit department to support its implementation. These initiatives will integrate with our work on strengthening internal controls in preparation for the Board's future effectiveness declaration under Provision 29 (see pages 113 to 114), helping to ensure our ongoing resilience.

Risk appetites and tolerance

The Board, with the support of the Audit & Risk Committee, has developed a Risk Appetite Statement, classifying its principal risks against different appetite categories:

- **Averse:** Aim to minimise exposure as far as is practically possible, with a low tolerance for potential adverse outcomes. This category is applied to risks that could have severe consequences in areas such as HS&E, compliance, or reputation.
- **Cautious:** Acceptance of low to moderate levels of risk in areas that are necessary to achieve operational efficiency and strategic initiatives. Risks are carefully managed to avoid significant negative impacts on the organisation.
- **Enterprising:** Openness to accepting moderate to higher levels of calculated risks when pursuing strategic opportunities that could drive our growth or enhance operational performance.

Risk tolerance is considered against various risk-specific measures and narrative reporting, reviewed and challenged by the Management Risk Committee before presentation for approval at the Audit & Risk Committee. The articulation of risk appetite also informs the design, operation and targeted maturity of each material control linked to the requirements of Provision 29 and the preparations for enhanced disclosures from 2026.



Risk management framework

Governance

Board

- Sets our risk culture and approach to risk management, providing an effective 'tone at the top'.
- Has overall responsibility for the effectiveness of risk management processes.
- Defines our risk appetite and tolerance, and the approach to our principal and emerging risks.

Audit & Risk Committee (see pages 108 to 114)

- Provides oversight on the effectiveness of our systems of risk management and internal control, including our identified material controls.
- Reviews and approves financial and non-financial reporting, associated risks and controls, and all risk-related disclosures.
- Reviews reporting on risk management activities, including the operation of the Management Risk Committee.
- Receives reports from risk owners, and both internal and external providers of assurance, on the effectiveness of risk mitigation measures.

Management Risk Committee

- Supports the Board in development and oversight of the risk management framework.
- Reviews risk indicator reports and feedback on risk from operational teams.
- Reviews the operational effectiveness of control activities.

Executive Committee

- Supports the implementation of our strategy and delivery of key priorities.
- Reviews our operational performance including the routine management of risk.

Disclosure Committee

- Provides oversight and challenge on external reporting.
- Reviews financial and non-financial reporting ahead of Board and Audit & Risk Committee reviews.

Sustainability Committee

- Provides oversight on all climate and sustainability-related matters.
- Reviews disclosures associated with climate and sustainability, obtaining appropriate assurance where required.

Regional and Operating Company Management

- Manage the day-to-day operational performance of the business, including identification of any changes in risks affecting operations.
- Ensure the effective implementation of internal controls set by the Board and Group functions within the business.
- Address Group-level priorities as cascaded through regional and Group-wide management meetings.
- Report routine operational risks and issues through management forums such as the Land Committee and Regional Boards.

Assurance

Risk assurance

Second line

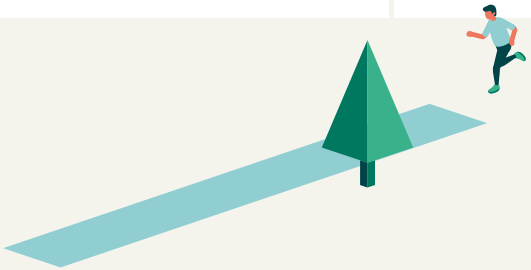
Our second line comprises a range of functions with a Group-wide remit, which play a key role in mitigating risk through the formulation of Group policies, procedures and control mechanisms designed to mitigate risks. Many of these measures constitute our material controls, which include a range of measures such as financial, operational and compliance controls, that serve to mitigate our principal risks and other key risk areas. For some key areas of risk, such as construction and HS&E activities, the second line functions include programmes of routine monitoring and assurance on the implementation of controls within the Group's operations.

Third line

The Group Risk & Internal Audit department is our independent third line function. Its role includes the delivery of a risk-based audit plan to provide assurance on key areas of risk and compliance, provision of regular principal risk reporting for the Audit & Risk Committee and an annual summary report for the Committee to support its conclusions on the overall effectiveness of risk management and internal control.

'Fourth line' (external assurance)

We benefit from additional assurance on effective risk management from external sources. This includes the work of our external auditor and inspections and audits from regulators, warranty providers, insurers and providers of externally recognised certifications (such as cyber essentials plus and ISO45001).

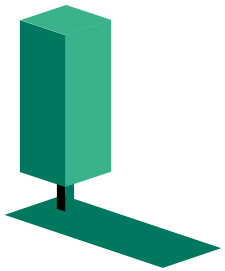


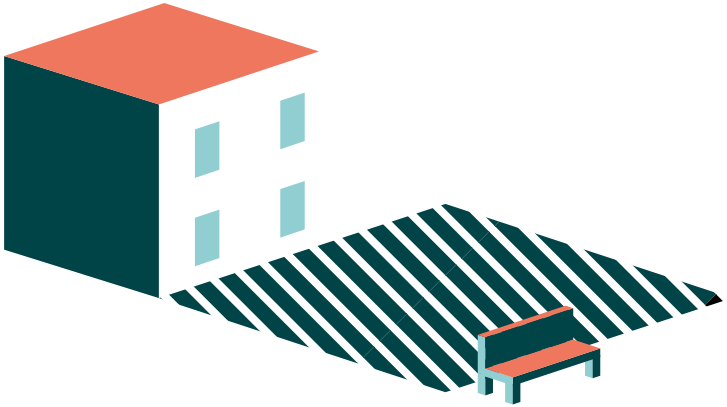
Principal and emerging risks continued

RISK MANAGEMENT CONTINUED

Overall assessment of the Group's principal and emerging risks

In line with the requirements of Provision 28 of the UK Corporate Governance Code 2024, the Board has completed its assessment of our principal and emerging risks, assessing these against the FRC's criteria as those that could threaten our business model, future performance, solvency or liquidity and reputation.





Principal risks

The Board's assessment, conducted with the support of management, has determined that that 12 risk areas meet the criteria for consideration as principal risks, each of which are broadly aligned with those reported in 2024. In common with the rest of our sector, we retain a particular sensitivity to external risks, most notably those posed by economic and market conditions, Government policy and political risk. There have been two material changes from our 2024 assessment of principal risks. The previously reported 'legacy buildings' risk has been broadened into a revised 'building safety and legacy buildings' risk, reflecting the Board's continued focus on building safety through current build, as we continue to make progress in addressing remediation requirements from legacy developments. Similarly, the previously reported 'cyber and data' risk has been broadened to 'business resilience' risk, considering the potential threats from cyber attacks and other events that could cause widespread operational disruption. The 2025 assessment considered the ratings of this risk in the context of several high-profile cyber issues for other large UK businesses within the year. While the threat of disruption in this area has increased over the year, we have simultaneously continued to invest in maintaining and improving our cyber security posture and developing stronger business continuity contingency measures. As such, while the risk is considered to be increasing, the previous overall rating of 'high' has not been revised. The rating of our 'HS&E' risk was also considered in relation to our continued work to strengthen controls, including the achievement of the ISO45001 standard for our health and safety management system. Again, it has been determined that the risk rating remains appropriate and did not warrant change.

The overall assessment of our current principal risks is that all are subject to controls or other mitigations that bring them within the tolerance range defined within our risk appetite, and we remain confident in our ability to manage these risks effectively. However, it is recognised that risks may materialise together rather than in isolation and, should this occur, it could have a material impact on our operations and financial performance. The Viability Statement (see pages 77 to 79) includes a broad assessment of the resilience of our business model in the face of such challenges, and includes a range of sensitivity analyses and the likely responses of the Board should they materialise.

Emerging risks

Emerging risks, defined as those that are known but cannot be assessed in detail at present and could, under certain conditions, evolve to pose a strategic threat as a principal risk, have also been considered by the Board. Emerging risks were reviewed through the normal operation of our risk management framework, with detailed consideration from the Management Risk Committee contributing to a formal annual presentation for review and challenge by the Audit & Risk Committee.

Our 2025 assessment has not identified any new emerging risk areas beyond changes within our existing principal risks. The previously recognised emerging risk of 'market disruption', has been retained. This reflects the potential threats to our business model from disruptions such as Artificial Intelligence ('AI'), market consolidation or breakthrough advances in deployment of technology such as modular construction. This risk will be monitored by the Board and, operationally, by the Executive Committee and Management Risk Committee. Mitigation strategies will be kept under review as the risk evolves.

Key priorities

1. Build quality and safety
2. Customers at the heart of our business
3. Disciplined growth: high-quality land investment
4. Industry-leading financial performance
5. Supporting sustainable communities

» Read more on pages 16 and 17

PRINCIPAL RISKS

External risks

1 UK economic and market conditions

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Very high	No change	Averse Within tolerance	3 4

Risk owners Executive Committee and Regional Chairs

Risk description

Failure to anticipate, respond or adapt to changes in the UK macroeconomic environment, including any significant events or trends affecting employment levels, inflation, and mortgage availability or affordability, could impact on overall consumer confidence, reducing demand and pricing for new homes. This could reduce revenues, margins, profits and cash flows and potentially result in the impairment of asset values. Changes in economic and market conditions could also drive competitors to make different strategic choices or take actions that could pose a threat to our overall strategy and business model, such as increased consolidation within the sector.

Key mitigations

- Highly disciplined approach to investments in land and work in progress, factoring in both current and anticipated levels of demand.
- Continuous focus on pricing structures to align with local market conditions. Our UK-wide network (with no significant presence in London) and product range (including our premium Charles Church product) provides some insulation against the effects of regional economic fluctuations.
- The Board's annual strategic review assesses anticipated changes in external conditions to determine appropriate strategic responses. Sales prices and incentives to support sales are kept under constant review.
- Introduction of innovative products, including our New Build Boost and Rezide shared equity products, to support affordability.
- Economic and market risks are subject to designated material controls within our internal control framework.

Risk monitoring measures

- The Board, Executive Committee and Management Risk Committee closely monitor UK economic trends, using both internal and external sources, with regular market and economic briefings from expert advisors.
- Sales rates and pricing patterns are reviewed on a weekly basis.
- The Board considers the effectiveness of the Group's risk management and internal control framework, including controls over economic and market risks as part of its annual review process.

2 Government policy and political risk

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Very high	No change	Averse Within tolerance	1 5

Risk owners Group Director of Strategic Partnerships and External Affairs, Group Planning Director and Regional Chairs

Risk description

Failure to anticipate, respond or adapt to changes in Government policy could materially affect the delivery of our strategy. The housebuilding industry is becoming increasingly regulated, and can be heavily impacted by political decisions at both national and local level. The delivery of our strategy can be materially affected by political decisions in areas such as planning, regulatory costs, support schemes or specific industry taxation. These have the potential to adversely affect our revenues, margins, tax charges and asset values, and impact on the viability of future land investments.

Key mitigations

- Alignment of our mission and strategy to the UK Government's objective of accelerating the delivery of new homes over the course of the current Parliament.
- We have expertise in managing and responding to relevant areas subject to Government involvement at both local and national level, including through our Group Land, Planning, Technical and External Affairs departments, and through engagement with industry bodies.
- A focused and methodical approach has been established to build relationships with councils and support alignment of development with local priorities.
- We also engage and participate in industry groups, including the HBF.
- Government policy and political risks are subject to designated material controls within our internal control framework.

Risk monitoring measures

- The Executive Committee and Board are routinely apprised of likely evolutions in Government housing policy through the close monitoring of our External Affairs, Technical and Land and Planning departments.
- Planning refusal rates are monitored closely to ensure our approach can be adjusted where necessary.
- Routine principal risk reporting to the Board includes updates on political evolutions at national and local levels.

3 Climate change and sustainability

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	No change	Averse Within tolerance	2 5

Risk owners Group Strategy & Regulatory Director and Group Sustainability Director

Risk description

Failure to respond effectively to the UK's transition to a lower-carbon and more sustainability-focused economy, including evolving legal and regulatory requirements and changes in customer perceptions and priorities could adversely affect planning decisions, our cost base and access to key materials and skills. Increased physical risks are also developing from climate change, with greater frequency of extreme weather events such as storms and flooding having the potential to cause increased disruption to construction activities.

Key mitigations

- We consider sustainability issues and the potential impacts of climate change routinely in key business decisions, from land acquisition through to planning and build processes.
- Development of a decarbonisation pathway to 2045 (see pages 31 to 34)
- Land appraisals reflect cost impacts from regulatory changes (e.g. Future Homes Standard).
- Our UK-wide network of sites minimises the potential impact of localised extreme weather events.
- Climate and sustainability risks are subject to designated material controls within our internal control framework.

Risk monitoring measures

- The Sustainability Committee meets regularly to review progress on our climate and sustainability-related initiatives.
- Management reporting includes key climate and sustainability indicators such as CO_2 emissions, diesel usage and waste generation.

» See TCFD Report pages 59 to 69

- Our Scope 1, Scope 2, Scope 3 category 1 (purchased goods and services) and Scope 3 category 11 (use of sold products) emissions are subject to external review.
- The Board considers the effectiveness of the Group's risk management and internal control framework, including controls around climate and sustainability risks as part of its annual review process.

Principal and emerging risks continued

PRINCIPAL RISKS CONTINUED

Key priorities

1. Build quality and safety
2. Customers at the heart of our business
3. Disciplined growth: high-quality land investment
4. Industry-leading financial performance
5. Supporting sustainable communities

» Read more on pages 16 and 17

Health, safety and environment (HS&E) risks

4 HS&E event

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	Decrease	Averse Within tolerance	1

Risk owners Group HS&E Committee, Group HS&E Director, Group Construction Director, and Group Special Projects Director

Risk description

Failure to safeguard our sites, or to fully adhere to the robust requirements of the Group's HS&E management system could result in serious injury or loss of life, or damage to the natural environment. In addition to the human impacts of any health, safety or environmental breach or incident, there is potential for reputational damage, construction delays and financial penalties.

Key mitigations

- Comprehensive HS&E management system, certified to the ISO45001 standard, to support safe working practices.
- Training programmes to embed our policies effectively.
- Award-winning Target Zero initiative to drive awareness of workplace safety and reduce the volume of safety-related incidents in our operations.
- Inspection regime led by our Group HS&E department.
- Engagement with industry forums and best practice groups.
- HS&E risks are subject to designated material controls within our internal control framework.

Risk monitoring measures

- The Group HS&E Director provides regular narrative and KPI reporting to the Board on HS&E matters.
- Data from inspections by the Group HS&E department feeds into management reports at all levels of the Group.
- Health & Safety Committees are in place for the Group as a whole, and at operating company level, to monitor HS&E performance and trends.
- Assurance provided through Group Risk & Internal Audit department programme of HS&E audits, with results and follow-up of actions reported to both Executive management and the Audit & Risk Committee.
- The Board considers the effectiveness of the Group's risk management and internal control framework, including HS&E controls as part of its annual review process.

5 Building safety and legacy buildings

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
High	No change	Averse Within tolerance	1 2

Risk owners Group Construction Director, Group Head of Building Safety, and Group Special Projects Director

Risk description

Failure to execute construction activities in line with applicable legal and regulatory requirements could result in building safety defects, which could pose potential risk to resident safety, reputational damage, and remediation costs.

Good progress has been made on legacy building safety remediation, with many developments resolved and interim measures established to ensure resident safety for those awaiting remediation. Risks remain if remediation is subject to delay or disruption due to the complex nature of the works, lack of availability of skilled contractors or evolutions in regulation or should further buildings requiring remediation be identified. These could expose us to additional costs and reputational damage.

Key mitigations

- The Group Construction department, including the specialist Building Safety function, provides oversight to ensure continued alignment to good practice in building safety over the lifecycle of the homes we build.
- For legacy buildings, our dedicated Special Projects team provides oversight on the assessment of any remediation required, the contracting, inspection and completion of works.
- Independent Quality Controllers, reporting centrally, provide assurance on the quality and status of remediation works.
- Assumptions on the estimated financial costs associated with the legacy remediation works have been subject to comprehensive challenge and are regularly reassessed.

Risk monitoring measures

- The Board receives routine reporting on the progress of the works on legacy buildings.
- The Finance team monitors costs incurred and provides assurance on the utilisation and ongoing appropriateness of our provision.
- The Group Risk & Internal Audit department conducts routine audit engagements on construction activities and their alignment to internal procedures and regulatory requirements.

Operational risks

6 Land and planning

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
High	No change	Cautious Within tolerance	3

Risk owners Group Planning Director, Group Director of Land Operations, Group Director of Transformation and Land Strategy, Group Strategic Land Director and Regional Chairs

Risk description

Failure to maintain an adequate supply of high-quality land, due to delays in planning approval, or inability to identify and procure land at appropriate levels of return, could affect our ability to grow our outlet position, impacting future sales, margins and profits, jeopardising the delivery of our strategic objectives.

Key mitigations

- Robust scrutiny for all potential land transactions through comprehensive viability assessments, with Land Committee process to approve transactions which demonstrate both appropriate returns and alignment with our overall strategy.
- Established processes to build relationships with councils, land agents and promoters, supporting alignment of potential development with local priorities.
- Strengthened processes for development of strategic land, including investments in our in-house teams and the acquisition of Lone Star Land.
- Land and planning risks are supported by designated material controls within our internal control framework.

Risk monitoring measures

- The Group's Land Committee meets regularly to review our current land holdings and future needs, and to assess potential land transactions.
- Volume of planning permissions obtained is monitored and reported on routinely, including tracking against legal completions via principal risk reporting.
- Outlet numbers are tracked routinely by management and subject to detailed reporting.
- The Board considers the effectiveness of our land and planning controls as part of its annual review process.

Key priorities

1. Build quality and safety
2. Customers at the heart of our business
3. Disciplined growth: high-quality land investment
4. Industry-leading financial performance
5. Supporting sustainable communities

Read more on pages 16 and 17

7 Supply chain

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	No change	Cautious Within tolerance	1 4

Risk owners Chief Commercial Officer, Group Commercial Director and Group Procurement Director

Risk description

Failure to secure reliable access to materials and skilled subcontract labour at an appropriate cost could adversely affect build programmes, construction quality and margins. This risk may become more acute as the UK strives to deliver a greater volume of new build homes, heightening demand for materials and labour. Similarly, disruption to our vertical integration model could constrain supply, causing cost inflation and disruption to build programmes.

Key mitigations

- We benefit from vertical integration, with security of supply on some key materials through our Brickworks, Tileworks and Space4 facilities.
- Long-term relationships exist with key suppliers and subcontractors at both Group-wide and operating company levels.
- Strategic approach to procurement, led by our Group Procurement team, with supply chain engagement, established processes for appointing suppliers and ongoing performance monitoring.
- Detailed forecasting and planning of material requirements to inform supplier negotiations, driving value and ensuring availability to align with build programmes.
- Group Commercial oversight and monitoring of operating company controls, including robust processes to monitor material purchases and stock holdings to minimise potential for loss or damage during construction.

Risk monitoring measures

- The Group Procurement department provides routine monitoring of trends and supplier performance.
- Site budgets and performance, including availability and pricing of materials, are assessed through the bi-monthly valuation process.
- The Chief Commercial Officer attends the Management Risk Committee and provides updates on key supply chain issues.
- The Board reviews the effectiveness of the Group's risk management and internal control framework, including supply chain controls, as part of its annual review process.

8 Finance and liquidity

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Low	No change	Cautious Within tolerance	3 4

Risk owners Group CFO, Group Financial Controller and Senior Group Accountant

Risk description

The Group's strategy relies upon access to significant working capital to fund investments in land and work in progress. This includes periods when we will be required to draw upon our Revolving Credit Facility ('RCF'). Failure to manage and optimise cash requirements effectively could lead to unnecessarily high borrowing costs, breaches of loan covenants, or an inability to take advantage of land or other investment opportunities that could benefit the Group.

Key mitigations

- We closely monitor our cash position and forecast cash utilisation to ensure these are sufficient to support land investments, fund work in progress and meet other requirements identified through annual budgets and business planning processes.
- Established governance processes are in place to scrutinise land investment decisions through the Land Committee, and work in progress through the bi-monthly valuations.
- The Group's RCF is considered sufficient to meet all our projected funding requirements in the short to medium term. The RCF is in place to July 2030.
- Liquidity and financing risks are supported by material controls within our internal control framework.

Risk monitoring measures

- Utilisation of the RCF and optimisation of cash deposits are monitored daily by the Group Finance team.
- Covenants on the RCF are monitored and subject to periodic certification.
- The Board is provided with routine reporting on our actual and forecast cash positions.
- The Board considers the effectiveness of the Group's risk management and internal control framework as part of its annual review process, including controls relating to liquidity and treasury management.

9 Skilled workforce, retention and succession

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	No change	Cautious Within tolerance	1

Risk owners Chief HR Officer and Director of Talent & Diversity

Risk description

Failure to attract, retain and develop a suitably skilled workforce, supported by effective leadership and succession planning, could adversely impact upon delivery of our strategy. An ageing workforce and continued competition for skilled labour in our sector risks exacerbating labour shortages with potential for increased costs, operational disruption and delays to build programmes.

Key mitigations

- Attraction of high-quality workforce through the development of a compelling employee value proposition.
- Development of talent through comprehensive training programmes including apprenticeships, Graduate Scheme and the Persimmon Pathways in core disciplines.
- Succession planning programmes to support career development and retain talent.
- Competitive remuneration packages to attract and retain talent at all levels, including our Real Living Wage commitment, Sharesave and other employee benefits.
- Employee engagement monitoring through surveys and our Employee Engagement Panel.

Risk monitoring measures

- The Group HR department provides reporting, including metrics such as training hours, to management at all levels of the Group.
- The Chief HR Officer is a member of the Group Executive Committee, and provides additional periodic reports and updates to the Board on employment trends.
- Feedback from the Employee Engagement Panel and annual Employee Engagement Survey is reviewed by the Board and shared with operational management.
- Routine principal risk reports to the Audit & Risk Committee include staff turnover data and commentary from the Group HR department.

Principal and emerging risks continued

PRINCIPAL RISKS CONTINUED

Key priorities

1. Build quality and safety
2. Customers at the heart of our business
3. Disciplined growth: high-quality land investment
4. Industry-leading financial performance
5. Supporting sustainable communities

» Read more on pages 16 and 17

Operational risks continued

10 Business resilience

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
High	Increase	Averse Within tolerance	2 4 5

Risk owners Management Risk Committee, Chief Information Officer, Chief Information Security Officer, and Group Risk Manager

Risk description

Failure to prevent, detect or respond effectively to a cyber attack or other material event causing the failure or disruption of core systems, data loss, or supply chain interruption could adversely affect operational activities, resulting in significant financial costs and reputational damage.

Key mitigations

- Oversight and challenge from the Management Risk Committee.
- Disaster recovery protocols and supporting fallback options for key operational processes and systems under Business Continuity Planning ('BCP') measures.
- Robust IT security measures aligned to Cyber Essentials Plus, subject to continuous improvement through programmes of investment including our initial Cyber Security Infrastructure Improvement Programme ('CSIIP') in the first half of 2025 and the subsequent and ongoing Cyber Risk Reduction ('CRR') programme.
- Routine in-house training and communications to promote awareness of cyber security and data protection issues, including threats evolving from the increased use of Artificial Intelligence.
- Regular reviews by external partners, including penetration testing, audit engagements and scenario planning, to provide assurance on the effectiveness of our cyber control environment.
- Business resilience, including cyber risk, are subject to material controls within our internal control framework.

Risk monitoring measures

- Regular Board updates provided by the CIO, with periodic presentations by the CIO and CISO to the Audit & Risk Committee on evolutions in our cyber posture.
- Routine CIO reporting to the Group Executive Committee, ensuring IT and cyber risks are actively considered in all key business decision making.
- The CIO attends the Management Risk Committee and provides updates on key cyber issues, supported by reporting and presentations from the Group CISO.
- The Management Risk Committee monitors the implementation of actions arising from BCP tests, with updates provided to the Executive Committee.

Reputational and regulatory risks

11 Reputation

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	No change	Cautious Within tolerance	1 2 4 5

Risk owners Group Director of Strategic Partnerships and External Affairs, Group Investor Relations Director, Group Construction Director, Chief Customer Experience Officer, and Regional Chairs

Risk description

Failure to deliver and maintain high standards across areas such as build quality, customer experience and health and safety, could damage our relationships with key stakeholders such as landowners, local authorities, customers, the supply chain, regulatory bodies and investors. This could affect our ability to deliver our strategic objectives.

Key mitigations

- Board and Executive Committee-level commitment to a culture of excellence, with particular emphasis on high quality in construction, health and safety and customer care.
- Significant and ongoing investments in operational capabilities to deliver high-quality new homes and customer experience.
- Processes to build positive relationships with all our stakeholders, including local authorities and the communities in which we build, through addressing housing need, supporting local employment and making valuable contributions to local infrastructure and community causes.
- Reputational risk considerations are subject to material controls within our internal control framework.

Risk monitoring measures

- Reporting to the Executive Committee and Board on key operational performance measures covering build quality and customer experience.
- The Board also oversees stakeholder engagement, including monitoring feedback from shareholders, and the results of our Employee Engagement Surveys and the Employee Engagement Panel.
- Routine principal risk reports issued to the Audit & Risk Committee include a range of internal and external indicators on reputation, such as NHBC survey data, Trustpilot scores and management of customer complaints.

12 Regulatory compliance

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	No change	Averse Within tolerance	1 2 5

Risk owners Chief Customer Experience Officer, Group Construction Director, Group Director of Legal Services, Company Secretary, and Group Strategy & Regulatory Director

Risk description

Failure to comply with any of the increasingly complex regulations we face, whether specific to our housebuilding operations or those applicable to other large UK listed businesses, could result in reputational damage, operational disruption and the imposition of financial penalties.

Key mitigations

- Comprehensive management systems to ensure regulatory and legal compliance, including policies, procedures and internal training for key areas of regulation.
- Oversight from specialists within Group-level functions to ensure compliance with key regulations.
- Second-line inspection regimes (e.g. from IQCs and HS&E Advisors) supported by internal audits and external reviews to support regulatory compliance.

Risk monitoring measures

- The Board and Audit & Risk Committee are provided with regular updates on core areas of regulatory compliance and preparation for upcoming regulatory change.
- Compliance monitoring activities are subject to regular review and independent assurance.
- The Board considers the effectiveness of the Group's risk management and internal control framework as part of its annual review process, including controls to support regulatory compliance.

Viability statement

PERSIMMON'S PROSPECTS AND VIABILITY

Persimmon's prospects and viability

The long-term prospects and viability of the business are a consistent focus of the Board when determining and monitoring the Group's strategy. The identification and mitigation of the principal risks facing the business, which have been updated to reflect current UK economic conditions and uncertainties, also form part of the Board's assessment of long-term prospects and viability*.

* The Directors have assessed the longer-term prospects of the Group in accordance with provision 31 of the UK Corporate Governance Code 2024.

Assessing Persimmon's long-term prospects

Persimmon has built a strong position in the UK's housebuilding market over many years, recognising the potential for long-term growth across regional housing markets. The Board recognises that the long-term demographic fundamentals of continued positive population growth and new household formation, together with the requirement to replace and improve the quality of the country's housing stock, provide a long-term supportive backdrop for the industry. However, the Board and the Group's strategy recognises the inherently cyclical nature of the UK housing market. The Group has therefore been able to maintain a position of strength with high-quality land holdings and a strong balance sheet throughout the disruption caused by the cost of living crisis and ongoing geopolitical uncertainty. The future impacts of these disruptions in creating uncertainty within the UK economy and subsequent effect on the Group's sales and construction programmes remain uncertain. The Board has considered these potential impacts in depth when assessing the long-term prospects of the Group.

Whilst this uncertainty remains, Persimmon possesses the sound fundamentals required to realise the Group's purpose and ambitions and deliver sustainable success:

- talented teams focused on consistently delivering good quality new homes for our customers;
- high-quality land holdings that allow us to create attractive places in areas where people wish to live and work;
- strong customer and local community relationships;
- continued investment in the training and development of our teams;
- market knowledge, expertise and industry know-how;
- long-term healthy supplier engagement; and
- vertical integration ensuring internalised supply of key materials.

By continuing to build on these solid foundations through, for example, The Persimmon Way and our ongoing investments in the customer experience, its land, development sites and in its supply chain, the Group aims to create enduring value for the communities we serve and our wider stakeholders. This is reflected within the Group's materiality assessment, which ensures a thorough review of stakeholder interests is incorporated within the assessment of the Group's long-term prospects.

The Group adopts a disciplined annual business planning regime, which is consistently applied and involves the management teams of the Group's housebuilding businesses and senior management, with input and oversight by the Board. The Group combines detailed five-year business plans generated by each housebuilding business from the 'bottom up', with projections constructed from the 'top down' to properly inform the Group's business planning over these longer-term horizons. Zero-based 12-month budgets are established for each business annually.

This planning process provides a valuable platform, which facilitates the Board's assessment of the Group's short and long-term prospects. Consideration of the Group's purpose, current market position, its five key priorities and overall business model, and the risks that may challenge them are all included in the Board's assessment of the prospects of the Group.

Key factors in assessing the long-term prospects of the Group:

1. The Group's current market positioning

- Sales network of active developments across the UK providing geographic diversification of revenue generation.
- Three distinct brands providing diversified products and pricing deliver further diversification of sales.
- Imaginative and comprehensive master planning of development schemes with high amenity value to support sustainable, inclusive neighbourhoods which generate long-term value to the community.
- Disciplined land replacement reflecting the extent and location of housing needs across the UK provides a high-quality land bank in the most sustainable locations supporting future operations.
- Long-term supplier and subcontractor relationships providing healthy and sustainable supply chains.
- Sustained investment to support higher levels of construction quality and customer service through the implementation of initiatives such as The Persimmon Way.
- Strong financial position, year end net cash and a £700m working capital credit facility that has during the year been extended to July 2030.
- During January 2026 the existing £700m credit facility was increased by £50m to £750m. In addition a £250m term loan was agreed with each of our banking partners. The loan term is two years through to January 2028 with the ability to extend for a further year.

2. Strategy and business model

- Strategy focuses on the risks associated with the housing cycle and on minimising financial risk and maintaining financial flexibility.
- Focusing on constructing new homes for our customers to the high-quality standards that they expect and helping to create attractive neighbourhoods.
- Strategy recognises the Group's ability to generate surplus capital beyond the reinvestment needs of the business.
- Substantial investment in staff engagement, training and support to sustain operations over the long-term.
- Disciplined land replacement reflecting the extent and location of housing needs across the UK provides a high-quality land bank in the most sustainable locations supporting future operations.
- Long-term supplier and subcontractor relationships providing healthy and sustainable supply chains.
- Approach to land investment and development activity provides the opportunity to successfully deliver much-needed new housing supply and create value over the long- term.
- Differentiation through vertical integration, achieving security of supply of key materials and complementary modern methods of construction to support sustainable growth.
- Simple capital structure maintained with no structural gearing.

Viability statement continued

Key factors in assessing the long-term prospects of the Group: continued

3. Principal risks associated with the Group's strategy and business model include

- Disruption to the UK economy and housing market conditions adversely affecting demand for and pricing of new homes, availability and pricing of land, or contributing to inflationary pressures.
- Changes in Government policy affecting the housebuilding sector, such as those relating to taxation, planning conditions or market support.
- Climate change risk, comprising both transition (legal and regulatory changes affecting the housebuilding sector) and physical (operational disruption through more frequent and prolonged adverse weather) elements.
- Failure to safeguard our sites, our people, our customers or the environment we work in could impact our reputation or result in financial penalties.
- Reputational damage and increased costs resulting from disruption or delays to scheduled remediation works to ensure resident safety.
- Failure to maintain an adequate supply of high-quality land due to planning constraints or inability to procure land at appropriate levels of return.
- Disruption to supply chains, affecting the availability of key construction materials.
- Ability of the Group to access significant working capital to fund investments in land and work in progress.
- Adverse market competition and construction workforce trends, resulting in an inability to attract and retain high-quality workers and an appropriately experienced management team.
- Cyber and data risk, including potential for significant or prolonged operational disruption arising from cyber attack or failure of critical IT systems.
- Requirement to maintain a reputation for high standards of business conduct across all aspects of operations whilst working within an increasingly complex regulatory landscape.

» See pages 73 to 76 for the full list of principal risks together with detailed descriptions

Disciplined strategic planning process

The prospects for the Group are principally assessed through the annual strategic planning review process conducted towards the end of each year. The management team from each of the Group's housebuilding businesses produce a five-year business plan with specific objectives and actions in line with the Group's strategy and business model. These detailed plans reflect the development skill base of the local teams, the region's housing market, strategic and on-market land holdings and investments required to support their objectives. Special attention is paid to construction programmes and capital management through the period to ensure the appropriate level of investment is made at the appropriate time to support delivery of the plan. Emerging risks and opportunities in their markets are also assessed at this local level.

Senior Group management review these plans and balances the competing requirements of each of the Group's businesses, allocating capital with the aim of achieving the long-term objectives of the Group including our five key priorities. The five-year plans provide the context for setting the annual budgets for each business for the start of the new financial year in January, which are consolidated to provide the Group's detailed budgets. The Board reviews and agrees both the long-term plans and the shorter-term budgets for the Group.

The outputs from the business planning process are used to support development construction planning, impairment reviews, funding projections, reviews of the Group's liquidity and capital structure, and for the identification of surplus capital available for return to shareholders via the Group's Capital Allocation Policy.

Assessing Persimmon's viability

The Directors have assessed the viability of the Group over a five-year period, taking into account the Group's current position and the potential impact of the principal risks facing the Group.

The Directors consider the use of a five-year period as the most appropriate time horizon for the purpose of assessing the viability of the Group, as it reflects the business model of the Group, with new land investments generally taking at least five years to build and sell through, and for the development infrastructure to be adopted by local authorities.

A key feature of the Group's strategy, as documented in the Strategic Report and set out in the Group's capital allocation priorities, is the Group's commitment to maintain capital discipline over the long term through the housing cycle.

The key principles of the Capital Allocation Policy are:

- maintain a strong balance sheet and low leverage through the housing cycle, while prioritising our building safety remediation works;
- invest in the long-term performance and growth of Persimmon through continuing our disciplined approach to land acquisition and investment into enhancing the Group's operational capabilities;
- pay ordinary dividends at a sustainable level that is well covered by post-tax profits through the housing cycle, thereby balancing capital retained for investment in the business with those dividends; and
- return any excess capital to shareholders from time to time, through a share buyback or special dividend as considered to be appropriate at the time.

On 11 March 2025, in line with the Capital Allocation Policy, the Directors declared a final dividend of 40p per share in respect of the financial year ended 31 December 2024. This final dividend approved at the 2025 Annual General Meeting and was paid to shareholders on 11 July 2025.

On 13 August 2025, the Directors announced their intention to pay 20p per share as an interim cash dividend in respect of the financial year to 31 December 2025. This interim dividend was paid to shareholders on 7 November 2025.

On 10 March 2026, the Directors declared a final dividend of 40p per share in respect of financial year ended 31 December 2025.

On an annual basis, the Directors review financial forecasts used for this Viability Statement as explained in the disciplined strategic planning processes outlined earlier. These forecasts incorporate assumptions on issues such as the timing of legal completions of new homes sold, average selling prices achieved, profitability, working capital requirements and cash flows.

The Directors have also carried out a robust assessment of the principal and emerging risks facing the Group, and how the Group manages those risks, including those risks that would threaten its strategy, business model, future operational and financial performance, solvency and liquidity. This risk assessment was also informed by the performance of the Group's materiality assessment, incorporating views from the Group's key stakeholders, and through a comprehensive survey to incorporate input from the Board and senior management from across the Group. The Directors have considered the impact of these risks on the viability of the business by performing a range of sensitivity analyses when compared to base position being the actual performance for full year 2025, including severe but plausible scenarios materialising together with the likely effectiveness of mitigating actions that would be executed by the Directors.

The scenarios emphasise the potential impact of severe market disruption including, for example, the effect of economic disruption from a cost of living crisis or a war on the short to medium-term demand for new homes. The scenarios' emphasis on the impact on the cash inflows of the Group through reduced new home sales is designed to allow the examination of the extreme cash flow consequences of such circumstances occurring. The Group's cash flows are less sensitive to supply-side disruption given the Group's sustainable business model, flexible operations, agile management team and off-site manufacturing facilities.

The first scenario modelled is a severe but plausible downside scenario that models a fall in housing revenue, when compared to full year 2025, of c.53% for full year 2026 followed by a gradual recovery. The housing revenue modelled factors in changes in both volumes and average selling prices. The assumption used in this scenario reflects the experience management gained during the global financial crisis from 2007 to 2010, it being the worst recession seen in the housing market since World War Two.

A second, even more extreme, scenario assumes the same significant downturn in 2026 followed by a period of enduring depression of the UK economy and housing market through to 2030, assuming that neither volumes nor revenue recover, but that mitigations within management's control are exercised.

In each of these scenarios, cash flows were assumed to be managed consistently, ensuring all relevant land, work in progress and operational investments were made in the business at the appropriate time to deliver the projected new home legal completions. Each scenario fully reflects the current estimate of cash outflows, value and timing associated with the legacy buildings provision. The Directors assumed they would continue to make well-judged decisions in respect of capital allocation payments, ensuring that they maintained financial flexibility throughout.

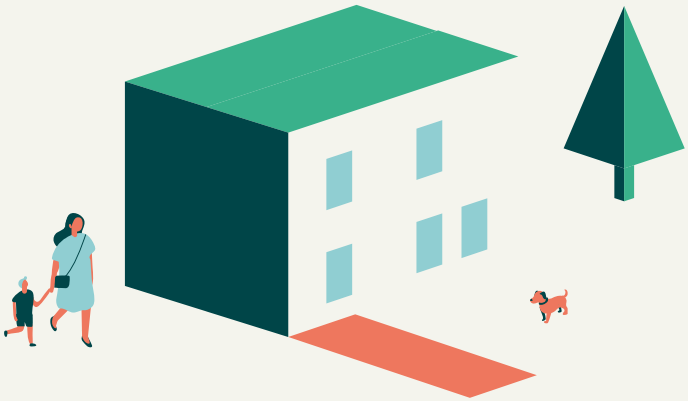
Based on this assessment, the Directors confirm that they have reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to the end of 31 December 2030.

Tracy Davison
Company Secretary
9 March 2026

UK Corporate Governance Code 2024

The UK Corporate Governance Code 2024 was applicable to the Company for the year ended 31 December 2025 (with the exception of Code Provision 29, which is effective from 1 January 2026). During the year, the Board has fully complied with the UK Corporate Governance Code 2024.

The Board continues to review its governance procedures to maintain proper control and accountability. The UK Corporate Governance Code 2024 is available from the Financial Reporting Council, at www.frc.org.uk. The table opposite references where further information can be found regarding the application of the Code's Principles.



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Governance at a glance

COMPOSITION OF THE BOARD

Board tenure

0–3 years	**55.6%**
3–6 years	**33.3%**
6–9 years	**11.1%**

Board independence (excluding Chairman)

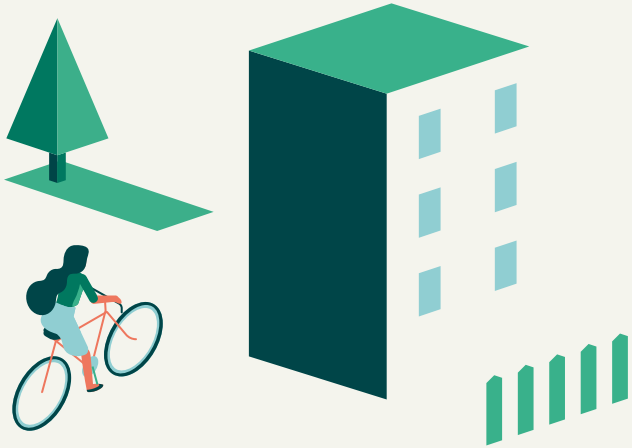
Executive Directors	**25%**
Independent Non-Executive Directors	**75%**

Board gender diversity

Male	**55.6%**
Female	**44.4%**

Board ethnic diversity

White	**8/9**
Asian/British Asian	**1/9**



Governance at a glance continued

GOVERNANCE KEY DATES 2025

January

Appointment of Anand Aithal as Independent Non-Executive Director.

March

Announcement of Final Results for 2024.

May

Annual General Meeting.

Appointment of Annemarie Durbin as Senior Independent Director.

Sale of FibreNest announced.

July

Proposed closure of Competition and Markets Authority ('CMA') investigation into housebuilders announced.

June

Board site visits to Persimmon Homes Hampton Woods and Charles Church Harlestone Grange.

August

Announcement of Half-Year Results for 2025.

FibreNest sold to BUUK Infrastructure.

External audit tender process concluded.

October

The passing of Duncan Davidson, founder and Life President of the Company.

Board Annual Strategy Day, including tour of the Space4 factory, Birmingham.

Chairman's introduction to governance

We have a robust governance framework to support sustainable growth and deliver long-term shareholder value.

Roger Devlin
Chairman

On behalf of the Board, I am pleased to present the Governance Report for the year ended 31 December 2025. Together with the accompanying committee reports, this section demonstrates how the Group has maintained high standards of corporate governance, providing the Board with clear oversight of the material issues facing the Group and ensuring that a robust governance framework is in place to support sustainable growth and deliver long-term shareholder value.

During the year, the revised UK Corporate Governance Code 2024 came into effect, introducing important changes to the governance landscape. The Board has recognised these developments and closely monitored the Group's preparations, particularly in strengthening risk management, internal controls, and assurance processes. I am pleased to confirm that the Group has fully complied with the Code's requirements.

Customer experience has continued to be a key priority for the Group and has been regularly reviewed by the Board. Our investment in customer service and build quality has enabled us to maintain our five-star customer satisfaction rating for the fourth consecutive year and achieve our highest-ever Trustpilot score, rated 'Excellent'. Through our culture — aligned with our Mission, Vision, and Values as set out on page 1 — we have continued to deliver strong performance, successfully completing 11,905 new homes during the year despite affordability constraints, geopolitical events and challenging market conditions.

Board composition, succession and performance

As noted in our 2024 Annual Report, Anand Aithal joined the Board as an Independent Non-Executive Director on 1 January 2025. Following his appointment, Anand undertook a comprehensive and tailored induction programme, including meetings with senior executives across the Group, engagement with key external stakeholders, and operational site visits. Anand is already making a significant contribution, bringing a wealth of experience from many sectors and fresh perspectives that strengthen the Board's effectiveness.

Nigel Mills stepped down from the Board and as Senior Independent Director, at Persimmon's Annual General Meeting on 1 May 2025, after nine years of service. Nigel made an immense contribution, providing wise and valuable counsel during his tenure. Annemarie Durbin was appointed as Senior Independent Director from 1 May 2025. Since her appointment as Senior Independent Director, Annemarie has fostered open dialogue and served as a trusted sounding board for me and her fellow members of the Board.

Annual board performance review

In line with the Board Performance Review cycle, the Board continued to monitor its effectiveness during the year. This was achieved through a rigorous annual Board Performance Review, conducted internally and led by the Chairman with support from the Company Secretary. The Board Performance Review utilised BoardClic, a digital board performance review platform, and involved the Board and its Committees completing comprehensive questionnaires. To ensure alignment with corporate governance best practice, the questions were based on the UK Corporate Governance Code 2024. The outcome confirmed that the Board and its Committees continue to operate to a high standard. As noted in the 2024 Annual Report, the externally facilitated Board Performance Review, which was undertaken in 2024, identified areas for potential improvement, and progress has been made against these during the current year.

» Further details of the annual Board Performance Review can be found on pages 98 to 100

Chairman's introduction to governance continued

Sustainability

Our Sustainability Pillars underpin the Group's strategic priorities and ensure that sustainability remains integral to our operations, guiding how we deliver on our responsibilities to our stakeholders. The Board reviewed progress toward the Group's net zero carbon targets and received regular strategy updates on current and future sustainability risks and mitigation plans. The Group Sustainability Director presents regularly to the Board, including updates on the carbon reduction glide path, aligned with the Group's science-based reduction targets.

In anticipation of the Future Homes Standard, the Board considered the Group's readiness and pathway for implementation. Updates were provided on key matters, including climate resilience and TCFD reporting, alongside reviews of sustainability performance data to demonstrate the Group's ongoing management of climate-related risks.

Looking ahead, the Board will prepare for evolving regulatory requirements and continue to oversee that the Group's key priorities align with the Group's sustainability strategy, including via the Group's investment in vertical integration where the use of our own timber frames, concrete bricks and tiles are key contributors to our sustainable construction and reduction in our carbon emissions. The Board will also continue to monitor the Group's decarbonisation pathway to 2045.

Remuneration

During the year, the Remuneration Committee reviewed the Remuneration Policy. Minor changes to the policy will be submitted for shareholder approval at the Annual General Meeting in April 2026. The Committee agreed that the Remuneration Policy continues to be appropriate and effective, with no material changes to its structure or quantum. Minor adjustments are proposed, including bringing our shareholding guidelines into line with market and sector practice, reducing bonus deferral once shareholding guidelines have been achieved and simplifying the two-year post-employment shareholding guideline. To ensure transparency and alignment with stakeholder expectations, the Committee engaged with external advisors and undertook targeted consultation with major shareholders, led by the Chair of the Remuneration Committee.

The Remuneration Committee reviews workforce remuneration and related policies regularly. This provides valuable insight into the Group's remuneration framework and helps to inform the Remuneration Committee's policy for executive pay. Using data presented via the HR Dashboard, the Remuneration Committee examined comparative workforce data and trends, including the CEO pay ratio, bonus distribution, and average salary increases. Following this review, the Committee agreed that the Group Chief Executive and other senior executives should receive a 3% base salary increase from July 2025, consistent with the increase applied across the wider workforce.

Updates in governance, market insights and stakeholder feedback were provided to the Remuneration Committee during the year, including by the Group's Remuneration Consultants, Deloitte. This included ensuring that the Remuneration Committee was abreast of upcoming changes to reporting regulations and that they received updates on proxy advisor voting policies.

Risk management and internal control

As part of our established annual cycle of work, and on behalf of the Board, the Audit & Risk Committee undertook a thorough review of the Group's risk management framework and internal control arrangements, holding discussions covering the Group's principal and emerging risks and the adequacy of the internal controls in place to mitigate them, with regular reports on these areas considered during Committee meetings. Outputs from the Management Risk Committee were considered by the Audit & Risk Committee, which also reviewed and approved an updated risk management strategy, which was designed to further enhance the Group's maturity in this area.

Throughout the year, the Audit & Risk Committee considered management's approach to Artificial Intelligence ('AI'), including review of the Group's draft policy on AI. This has recognised the transformative potential of AI for some business processes, but noted the importance of establishing appropriate safeguards around its deployment. Both the Board and the Audit & Risk Committee have also remained mindful of the Group's potential exposure to cyber security threats and events, and the importance of strong controls and resilience measures. Management has provided updates on ongoing enhancements to the Group's cyber security controls, and this focus will continue into 2026.

Assurance

During the year, the Audit & Risk Committee has retained its focus on the integrity of the Group's financial reporting, particularly in areas requiring accounting judgements or estimates. This has included working to ensure a continued high-quality external audit, overseeing a competitive tender process for our external audit provision. The Committee has also continued to monitor the ongoing effectiveness and independence of the Group Internal Audit department and, ahead of Provision 29 of the UK Corporate Governance Code 2024 coming into force in 2026, providing oversight of the Group's programme of work to enhance its systems of risk management and internal control.

Equality, diversity and inclusion

During the year, the Nomination Committee maintained its focus on the equality, diversity and inclusion of the Board and across the wider Group. We are pleased to report that the Board is fully compliant with gender and ethnicity targets set by the Listing Rules, the Parker Review and the FTSE Women Leaders Review. The Nomination Committee monitored progress against the Group's gender and ethnic diversity targets for senior management through regular reviews of the Group's diversity data, and reviewed the Group's Equality, Diversity and Inclusion Policy. The Nomination Committee also reviewed the strategy to increase the diversity of the Group's employees. The Group has a number of employee network groups, including the Carers' Network, the Religion and Culture Group, Persimmon Pride, and the Women's Network.

The Board received updates on the Group's HR Strategy, including the refreshed vision statement and strategic objectives, and how this fed into the Group's succession planning and diversity and inclusion activities. The Board reviewed initiatives designed to strengthen career development and the succession pipeline, alongside key internal promotions. In addition, the Group's achievements and future plans for diversity and inclusion were discussed, with improvements shown in the Group's diversity. These developments reinforce the Group's commitment to fostering a culture of belonging that drives innovation, enhances employee engagement, and supports sustainable business growth.

Roger Devlin
Chairman
9 March 2026

2025 GOVERNANCE ACTIVITIES

Quick facts

- The Board has six Independent Non-Executive Directors. The Chairman was independent on appointment – See pages 86 and 87.
- All directors have effectively contributed to the Board throughout the year – See page 99.
- Corporate governance is at the forefront of the Board's agenda and during the year the Board fully complied with the UK Corporate Governance Code 2024 – See page 80.
- During the year, the Board continued to engage with stakeholders.
- Following the 2025 Board Performance Review, the Board concluded that each director has performed well in their roles, has dedicated enough time to the role, and has shown a high level of independence and commitment – See page 99.
- The directors are subject to annual re-election and the Board considers that all directors be reappointed at the AGM on 30 April 2026.

1. Internal Annual Board Performance Review

- Questionnaires designed in the context of the UK Corporate Governance Code 2024 and corporate governance best practice.
- Anonymised questionnaire responses, including scoring and benchmarking, were reviewed by the Company Secretary and the Chairman, and shared with the Board Committee Chairs.
- Areas of high performance were noted, and actions for enhancement were agreed.

» See pages 98 to 100 for further information

2. Achieving FCA diversity targets

- 44% of Board Directors are women.
- Annemarie Durbin appointed as Senior Independent Director during the year.
- One Board Director is from an ethnic minority background.

» See page 106 for further information

3. External audit tender

- Followed robust processes to assess the merits of each prospective audit firm.
- Included detailed criteria for assessing the firms who tendered.
- Recommendation on auditor appointment for 2026 made to the Board.

» See page 113 for further information

4. Remuneration Policy

- Conducted a review of the current Remuneration Policy and concluded that it is functioning well and supports our strategy and values.
- Engaged with stakeholders as appropriate.
- In line with stakeholder consensus, maintained the overall current structure.
- Ensured that the proposed 2026 Remuneration Policy continued to align the interests of the Executive Directors, senior management and employees with those of shareholders and wider stakeholders, and to ensure appropriate alignment with values and key priorities.
- Introduced minor changes to aid administration and take account of changes in practice since the 2023 Policy was approved by shareholders.

» See pages 124 to 130 for further information

5. Preparation for Code Provision 29 disclosure requirement

- The Audit & Risk Committee has reviewed the Group's approach to maintaining an effective system of internal controls, including management's plans to ensure preparedness for the reporting requirements under Code Provision 29.
- Received updates from management on the process taken to identify the Group's material controls and to ensure these are both designed and operating effectively.
- Reviewed the regular updates from management on workstreams to improve the formalism and effectiveness of internal controls.

» See pages 113 and 114 for further information

Quick links

» Details of each committee's members, Terms of Reference and primary role can be found here: www.persimmonhomes.com/corporate/investors/corporate-governance/board-committees/

» A schedule of Matters Reserved for the Board can be found here: www.persimmonhomes.com/corporate/investors/corporate-governance/role-of-the-board-of-directors/

» The Group's Governance Structure can be found here: www.persimmonhomes.com/corporate/investors/corporate-governance/governance-structure/

Board leadership

BOARD OF DIRECTORS

The Board of Directors sets the Group's purpose, defines the Group's values, sets the strategy and monitors and assesses the Group's culture. The Board consists of the Chairman; two Executive Directors; and six Independent Non-Executive Directors, including the Senior Independent Director.

Roger Devlin

Chairman

Date of appointment: 1 June 2018

Committee membership: N CF

Experience and external appointments: Roger was independent on appointment and has extensive business, leadership and governance experience, having held executive and non-executive roles in a variety of sectors including corporate finance, gaming, leisure, pubs and brewing, sport and transport.

Roger is a highly experienced board director, having previously served as Chairman of William Hill PLC and Chairman of Marston's PLC.

Roger is also the Chair of the Horserace Betting Levy Board, an appointment made by the Secretary of State for Culture, Media and Sport.

Skills and contribution: Roger's wealth of experience gives him a strong understanding of corporate governance, shareholder and stakeholder views, banking and finance, customer propositions and leadership.

Roger's expertise and personal qualities enable him to effectively lead the Board and drive change within the business. Roger ensures that the Board functions effectively by facilitating open and productive debate, providing constructive challenge and by demonstrating objective judgement.

Roger has an MA in Law from the University of Oxford.

Dean Finch

Group Chief Executive

Date of appointment: 28 September 2020

Committee membership: S CF

Experience and external appointments: Dean is a widely experienced senior executive with a strong commercial, financial and operational track record spanning a 40-year career in Europe and North America.

Prior to joining Persimmon, Dean was the Chief Executive Officer of National Express Group plc. Other previous appointments include Group Chief Executive of Tube Lines, and Group Finance Director and Group Chief Operating Officer at FirstGroup plc.

In addition to his executive responsibilities, Dean is a Non-Executive Director of the Home Builders Federation ('HBF') and a Non-Executive Director of Diploma Plc.

Skills and contribution: Dean is a seasoned, well-respected and proven Chief Executive with an exceptional record and extensive housebuilding experience. He has led the Group's programme of transformative change in its drive to be Britain's leading homebuilder; delivering substantial strategic and operational improvements, while driving the development and implementation of the Group's strategy and culture, with a focus on build quality, customer care, stakeholder value and strong long-term returns for investors.

Dean is also a qualified chartered accountant.

Andrew Duxbury

Chief Financial Officer

Date of appointment: 17 June 2024

Committee membership: N/A

Experience and external appointments: Andrew brings significant and relevant industry experience to the Board, having previously served as Group Finance Director at Galliford Try Holdings plc. During his career at Galliford Try, Andrew held various finance roles for over ten years, including roles in Galliford Try's former housebuilding operation, Linden Homes. Prior to that, Andrew spent 16 years at PwC, leading a portfolio of significant clients across a range of sectors including construction and housebuilding.

Skills and contribution: Andrew has extensive financial, operational, risk management and commercial skills, and a wealth of construction and housebuilding industry experience. Working closely with the Group Chief Executive, Andrew drives the development and implementation of the Group's strategy and culture. Andrew has a strong focus on financial discipline, to support delivery of our growth strategy.

Andrew's experience is a valuable asset to the Group as we continue to provide good quality homes for families across the UK and position the business for future growth while delivering sustainable value to our stakeholders and shareholders.

Andrew is a Fellow of the Institute of Chartered Accountants.

Annemarie Durbin

Senior Independent Director

Date of appointment: 1 July 2020

Committee membership: N R

Experience and external appointments: Annemarie is the Chair of Yorkshire Building Society and has over 35 years' broad-based retail, commercial, corporate and institutional banking experience gained across the UK, Asia, Africa and the Middle East.

Annemarie spent the bulk of her executive career at Standard Chartered, where she held a variety of global business and functional roles including being CEO of a FTSE 250 equivalent listed company in Thailand, culminating in membership of the Group Executive Committee.

Annemarie has previously held a variety of non-executive positions including Remuneration Committee Chair of Petershill Partners plc, Senior Ringfence Director and Remuneration Committee Chair of Santander UK plc, Chair of Cater Allen Limited, Remuneration Committee Chair of WH Smith PLC, and Chair of Merryck & Co. Ltd.

Skills and contribution: Annemarie is a highly experienced international business executive, with a strong background in financial services, diversity & inclusion, transformation, corporate governance and human resources. Annemarie's broad experience, combined with her strong understanding of shareholder and stakeholder views, enables Annemarie to provide both constructive challenge and sound advice to the Board.

Annemarie is a qualified lawyer, coach and conflict mediator.

Committee Key

- AR Audit & Risk Committee
- N Nomination Committee
- R Remuneration Committee
- S Sustainability Committee
- CF Trustee of the Persimmon Charitable Foundation
- W Designated Workforce Non-Executive Director
- ● Committee Chair

Andrew Wyllie CBE

Independent Non-Executive Director

Date of appointment: 4 January 2021

Committee membership: AR N

Experience and external appointments: Andrew is an experienced construction sector executive and was Chief Executive of Costain Group PLC for 14 years. Previously, Andrew was Managing Director of Taylor Woodrow Construction and a member of the Group Executive Committee at Taylor Woodrow Plc. During his career, Andrew has worked on a variety of major contracts and projects in Saudi Arabia, Ghana, the Falklands, Malaysia and the UK.

Andrew is currently a Non-Executive Director of Arup Group Limited, the Senior Independent Director of Yorkshire Water and Remuneration Committee Chair of the Institution of Civil Engineers. Andrew was previously a Non-Executive Director of BMT Group Limited and Scottish Water, and President of the Institution of Civil Engineers.

Skills and contribution: Andrew has a long and successful track record within the construction industry and brings highly relevant sector experience to the Board. Andrew's industry knowledge, expertise and perspective are valuable to the Board as the Group continues to build a sustainable business, delivering value to our stakeholders and shareholders.

Andrew has an MBA from London Business School and is a Fellow of the Royal Academy of Engineering.

Andrew was made a CBE for his services to engineering and construction.

Alexandra Depledge MBE

Independent Non-Executive Director

Date of appointment: 1 May 2023

Committee membership: N R

Experience and external appointments: Alex is a technology entrepreneur and founder of Resi.co.uk, the UK's largest residential architectural practice and a leading property technology business. Prior to establishing Resi.co.uk, Alex co-founded Hassle.com, Europe's largest domestic cleaning online marketplace.

In June 2025 Alex was appointed as the first ever Entrepreneurship Advisor to the Chancellor of the Exchequer, to advise on the government's entrepreneurship landscape and focus on addressing the key barriers faced by businesses seeking to start up and scale up in the UK.

Additionally, Alex previously sat on the board of the London Economic Action Partnership, a local enterprise partnership chaired by the Mayor of London.

Skills and contribution: Alex's appointment adds highly relevant skills to the Board, with her valuable property-related technology and innovation experience. Alex's impressive entrepreneurial track record of building and scaling consumer-facing technology businesses adds further depth to the Board's capabilities.

Alex was made an MBE for her services to the sharing economy.

Colette O'Shea

Independent Non-Executive Director

Date of appointment: 1 May 2023

Committee membership: AR N W

Experience and external appointments: Colette is the Chief Operating Officer of the Wellcome Genome Campus, part of Wellcome Trust.

Colette has a wealth of property market investment and development expertise gained during her 20-year career with one of the UK's leading real estate businesses, Land Securities Group PLC ('LandSec'). Colette spent the majority of her executive career with LandSec, culminating in her appointment as Chief Operating Officer. Prior to this, Colette held a number of senior executive positions at LandSec, including Managing Director, London & Retail; and Head of Development. Colette has also previously served as a Non-Executive Director of a leading housing association.

Skills and contribution: With extensive industry experience, and a particular expertise in planning, Colette makes a valuable contribution to the Board. As well as a respected leader, Colette brings a wealth of development and investment knowledge, which assists the Group with the sector-related challenges that it faces.

Paula Bell

Independent Non-Executive Director

Date of appointment: 1 September 2024

Committee membership: AR N

Experience and external appointments: Paula has extensive FTSE 100 & 250 board experience, having served both as an executive and non-executive director of large global organisations. Paula also has wide sector experience, including construction, property and manufacturing environments.

Paula was the Chief Operating and Financial Officer of Spirent Communications Plc from 2016 until October 2025. During her executive career Paula also served as the Chief Financial Officer at John Menzies Plc and the Chief Financial Officer at Ricardo Plc. Paula also previously held senior leadership roles at BAA Plc, AWG Plc and Rolls Royce Group Plc.

Paula is currently a Non-Executive Director and Chair of the Audit and Risk Committee at Keller Group Plc, and was previously a Non-Executive Director, Chair of the Audit Committee and Senior Independent Director at Laird Plc.

Skills and contribution: Paula is a highly experienced executive and non-executive director, with a track record of delivery of both strategic and operational agendas for large and complex global businesses. Paula's extensive professional experience in business strategy, operations, change management and M&A, combined with her significant Audit & Risk Committee Chair experience, make Paula an excellent member of the Board.

Paula is a Fellow of the Chartered Institute of Management Accountants and a Chartered Global Management Accountant.

Anand Aithal

Independent Non-Executive Director

Date of appointment: 1 January 2025

Committee membership: N R

Experience and external appointments: Anand has extensive board experience and is currently a Non-Executive Director at Saga Plc and Polar Capital Holdings Plc. Anand also serves on a not-for-profit board at the Institute for Government.

Previously, Anand served on the boards of the Association of Chartered Certified Accountants and Nationwide Building Society, and was the lead Non-Executive for the Cabinet Office.

Anand has over 30 years' experience in financial, business and professional services and co-founded Amba Research, a data analytics and financial research business. Anand has also previously been a managing director at Goldman Sachs.

Skills and contribution: Anand brings a wealth of financial and business experience to the Board, having been an executive, non-executive and entrepreneur in a number of sectors.

Anand's international career has seen him work in Singapore, Hong Kong, India, the United States, Sri Lanka, and Costa Rica, providing him with a broad business perspective. This global exposure, combined with his multifaceted experience, makes Anand an important addition to the Board.

Anand has an MA in Economics from the University of Cambridge.

Corporate governance statement

BOARD ACTIVITIES

During the year the Board held six scheduled meetings and its Strategy Day meeting, plus additional meetings when required. Meeting agendas are planned in advance by the Chairman, supported by the Company Secretary, and in consultation with the Group Chief Executive. This ensures that meetings are effective, efficient and flexible, with appropriate time and focus devoted to the Group's performance, strategy, stakeholders, culture and external environment.

» The standing items for Board meetings are displayed on this page and examples of the Board's work during the year can be found on pages 88 to 90

To further enhance Board effectiveness, Board meetings are sometimes preceded by Board dinners. This helps to foster good, constructive and professional relations between Board members and the Group's senior executives (plus additional invited employees and guests). Such dinners also enable the Board to receive additional presentations and engage in discussion on matters such as the Group's performance and culture, and the implementation of the Group's strategy.

Board meeting attendance 2025

	Scheduled meetings attended	Percentage of scheduled meetings attended
Roger Devlin	7/7	100%
Dean Finch	7/7	100%
Andrew Duxbury	7/7	100%
Annemarie Durbin	7/7	100%
Andrew Wyllie	7/7	100%
Alexandra Depledge	7/7	100%
Colette O'Shea	7/7	100%
Paula Bell	7/7	100%
Anand Aithal	7/7	100%
Nigel Mills*	2/3	66.6%

* Retired on 1 May 2025.

Standing items at all scheduled Board meetings:

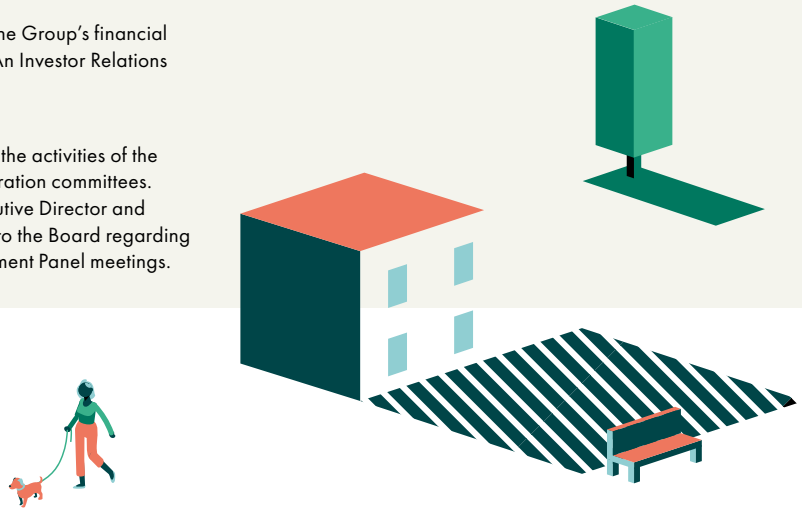
Each Board meeting includes a number of standing items:

- **Group Chief Executive's Report and Business Update**
  Provides a comprehensive update on the Group's performance and the market; matters of strategic importance and material regulatory changes. This is supplemented by the Business Update, which usually includes an in-person update from either the UK Managing Director, Deputy UK Managing Director or a Regional Chair, and provides an in-depth focus on specific areas of the Group's performance and the implementation of the Group's strategy:
  - Customer Experience
  - Building & Fire Safety
  - Construction
  - Land & planning
  - People & Culture
  - Health, Safety & Environment
  - Information Technology
  - Sustainability
- **Chief Financial Officer's Report**
  Provides a comprehensive update on the Group's financial performance and financial forecasts. An Investor Relations update is also included.
- **Committee Chairs' updates**
  Updates are provided to the Board on the activities of the Audit & Risk, Nomination and Remuneration committees. The Designated Workforce Non-Executive Director and Board members also provide updates to the Board regarding their attendance at Employee Engagement Panel meetings.

Periodic standing items:

In addition to the standing items at each scheduled meeting, the Board's calendar includes a number of periodic standing items:

- Annual items:
  - Full-Year Results
  - Half-Year Results
  - Budget
  - Annual Strategy Day
  - Annual General Meeting
  - Internal Controls review
  - Whistleblowing Provision review
  - Annual Board Performance Review
- Bi-annual presentations:
  - Building & Fire Safety
  - Sustainability
  - Strategic land



Examples of the Board's work during the year, including both standing and ad hoc items, can be found in the table below:

	Area of focus	Outcome	Link to our strategic framework
Strategy	Annual Strategy Day – Members of the Executive team delivered a comprehensive suite of presentations to the Board regarding the Group's strategy. Topics covered included: the Group's 5-year plan for growth; the political, fiscal and macroeconomic environment; brand development and diversification; customer experience; land and planning; innovation (Space4, the Mauer facade product and vertical integration); artificial intelligence; people and culture; financial projections and investor perspectives. The high-quality presentations facilitated Board debate, questions and oversight.	The Group's strategy was reviewed and approved by the Board.	1 2 3 4 5 P
	Mergers & Acquisitions ('M&A') – reports received regarding M&A activity in the housebuilding sector.	Noted by the Board.	4
	FibreNest – presentation received from the Group Strategy & Regulatory Director and FibreNest Managing Director regarding the proposed sale of the Group's broadband provider business. Further updates were provided during the year by the Group Chief Executive.	The sale of FibreNest to BUUK Infrastructure in August 2025 was agreed by the Board.	2 4 P
Operations	Building & Fire Safety – presentations and updates were received throughout the year regarding the Group's continued building and fire safety remediation activities.	Considered and discussed by the Board, noting the paramount importance of safety, the progress made to date and the importance of completing remediation works as soon as reasonably practicable.	1
	Cyber Security – presentation received from the Chief Information Officer regarding the cyber security threat landscape, the Group's cyber security defences and the Group's response following high-profile cyber attacks on other organisations.	Considered and discussed by the Board.	4 ✓
	Artificial Intelligence ('AI') – presentation received during the Board's Strategy Day on how the Group is harnessing the benefits of AI in a responsible and ethical way.	Considered and discussed by the Board, noting the power and potential of AI, and the importance of controls and guardrails.	✓ P
	UK Managing Director, Deputy UK Managing Director and Regional Chair presentations – a number of presentations were received during the year, providing detailed insight into regional operations and matters including market conditions, build quality, customer care, health & safety, the planning system, the land market, talent and diversity, and the embedding of the Board's desired culture. A presentation was also received regarding Charles Church brand development and Space4 innovation.	Presentations were considered and discussed, enabling the Board to exercise oversight of the Group's operations, performance, strategy implementation and culture.	1 2 3 4 5 P
	Strategic Land – presentation received from the Group Strategic Land Director setting out the Group's approach to strategic land, including opportunities, challenges and case studies.	Considered and discussed by the Board.	3
	Sustainability – presentations received from the Group Sustainability Director regarding the implementation of the Group's sustainability strategy. Topics covered included: the Future Homes Standard, carbon reduction, Biodiversity Net Gain, innovation, and the integration of sustainability into the Group's operations.	Considered and discussed by the Board.	5 B T S
	Health, Safety & Environment ('HS&E') – updates regarding HS&E incidents, including the Group's response, were covered in the Group Chief Executive's Report.	Considered and discussed by the Board, noting the Group's increased and significant focus on health & safety culture, including the Group's Target Zero campaign.	1 S P
Finance	Budget – expected performance and resource allocation for 2025.	Considered and approved by the Board.	4
	Results – Final Results for 2024, Annual Report 2024, Half-Year Results for 2025 and Trading Updates. Regular review of forecast results.	Considered and approved by the Board.	1 2 3 4 5
	Capital Allocation Policy – consideration of whether to pay a final dividend for 2024 and an interim dividend for 2025.	Final dividend of 40p per share for 2024: recommended to shareholders by the Board. Interim dividend of 20p per share for 2025: approved by the Board.	4

Corporate governance statement continued

BOARD ACTIVITIES CONTINUED

	Area of focus	Outcome	Link to our strategic framework
Governance	Competition and Markets Authority ('CMA') – updates were received regarding the CMA's investigation into seven housebuilders (including the Group).	Persimmon worked constructively with the CMA throughout its enquiry. Alongside the other housebuilders under investigation, the Group voluntarily offered commitments in response to the potential concerns investigated by the CMA. Persimmon's decision to offer voluntary commitments does not constitute an admission of any wrongdoing nor does it imply that Persimmon agrees with the concerns expressed by the CMA in the investigation. The commitments include an ex-gratia financial contribution from all seven housebuilders to the government's Affordable Homes Programme totalling £100m. Persimmon's proportionate contribution is £15.2m.	✓
	Annual General Meeting 2025 – Notice of Meeting.	Approved by the Board.	✓
	Internal Controls – Annual Review of the Effectiveness of Internal Controls.	Following consideration, the Board agreed that the risk management and internal control systems remained effective.	✓
	Economic Crime and Corporate Transparency Act 2023 ('ECCTA') – update received regarding ECCTA (including the Failure to Prevent Fraud offence) and the Group's compliance response.	Considered and discussed by the Board.	✓
	Employee Engagement – updates received from Colette O'Shea, Designated Workforce Non-Executive Director, following her attendance at Employee Engagement Panel meetings.	Considered and discussed by the Board.	✓ P
	Annual Performance Review – report received regarding the findings of the Board's internally facilitated annual performance review.	Considered and discussed by the Board. Actions to enhance Board performance agreed.	✓
	Whistleblowing Provision – reviewed and approved by Board.	Following consideration, the Board agreed that the Group's whistleblowing provision remained effective.	✓ P

Our Key Priorities are:

1. Build quality and safety
2. Customers at the heart of our business
3. Disciplined growth: high-quality land investment
4. Industry-leading financial performance
5. Supporting sustainable communities

Our Sustainability Pillars are:

- B Building for tomorrow
- T Transforming communities
- S Safe and inclusive
- ✓ Good governance
- P People

CULTURE

The Group's Mission is to build homes with quality our customers can rely on, at a price they can afford. This is supplemented by the Group's Vision and Values.

A key responsibility of the Board is to ensure that the Group's culture is aligned with the Group's Mission, Vision and Values. To effectively discharge this responsibility, the Board uses a variety of methods and metrics to monitor and assess the Group's culture. The standing items at Board meetings, site visits and the Board's engagement with employees and wider stakeholders enables the Board to effectively monitor the Group's culture.

The Group's intranet, Persimmon Way App and Internal Communications team enable the Board's desired culture to be further embedded across the Group, driving the reinforcement of our Mission, Vision and Values.

Customer focused
Value driven
Teamwork
Social impact
Excellence always

Employees

34.4%
Female employees in our senior management team

70%
Employee engagement score
(7% ahead of external benchmark)

79%
Of employees would recommend Persimmon as a great place to work (8% ahead of external benchmark)

4
Active employee networks (Women, Persimmon Pride, Religion & Culture and Carers)

299
Mental Health First Aiders

526
Apprentices and trainees within the business

c.15,900
Training days delivered

Customers and Quality

93.5%
Customer satisfaction score
Based on the percentage of customers that would recommend Persimmon to a friend*

91.4%
Build quality score
Based on customer satisfaction with build quality*

92.6%
NHBC Construction Quality Review score

4.6
Persimmon Homes Trustpilot score

4.6
Charles Church Trustpilot score

* The Group participates in the National New Homes Survey, run by the Home Builders Federation.

Health, Safety and Environment

Net Zero
We aim to achieve zero carbon ready homes in use by 2030, and have developed our decarbonisation pathway to 2045.

Persimmon Excellence Always Awards (including Health, Safety and Environment awards) continued, with winners being announced to the business.

98%
Operational waste recycled

Target Zero
Award winning workplace health & safety campaign

Community

c.£1.1m
Donated to charities and local community groups across the UK

c.96,000
Construction and supply chain jobs supported

Corporate governance statement continued

CULTURE CONTINUED

Employee Engagement Panel

The Panel, which comprises 17 employees, provides a broad representative body of the Group's employees, and provides an important forum for employees to express their views and provide feedback on the Group, its performance, policies, procedures and culture.

The Panel is chaired by the Chief HR Officer and there are usually four meetings per year. Colette O'Shea, the Designated Workforce Non-Executive Director, attends at least two meetings per year, other Board members frequently attend. The Panel's open and honest feedback is highly valued by the Board, providing an excellent opportunity for the Board to monitor the practical application of the Group's values, and therefore, the Group's culture.

Board attendees at Panel meetings during 2025:

- Roger Devlin, Chairman;
- Colette O'Shea, Designated Workforce Non-Executive Director; and
- Annemarie Durbin, Senior Independent Director and Chair of the Remuneration Committee.

Employee Engagement Survey

The results of the Employee Engagement Survey are presented to the Board annually. The Survey conducted during the year showed that the Group's employees are engaged, would recommend Persimmon as a great place to work, and are proud to work here. For further details regarding the survey results, see page 25.

I've been pleased with the range of development opportunities available. There's a strong culture of continuous learning, and I feel encouraged to take ownership of my personal growth. Whether through on-the-job learning, access to training resources or support for external courses, I've had the chance to expand my skills in a meaningful way.

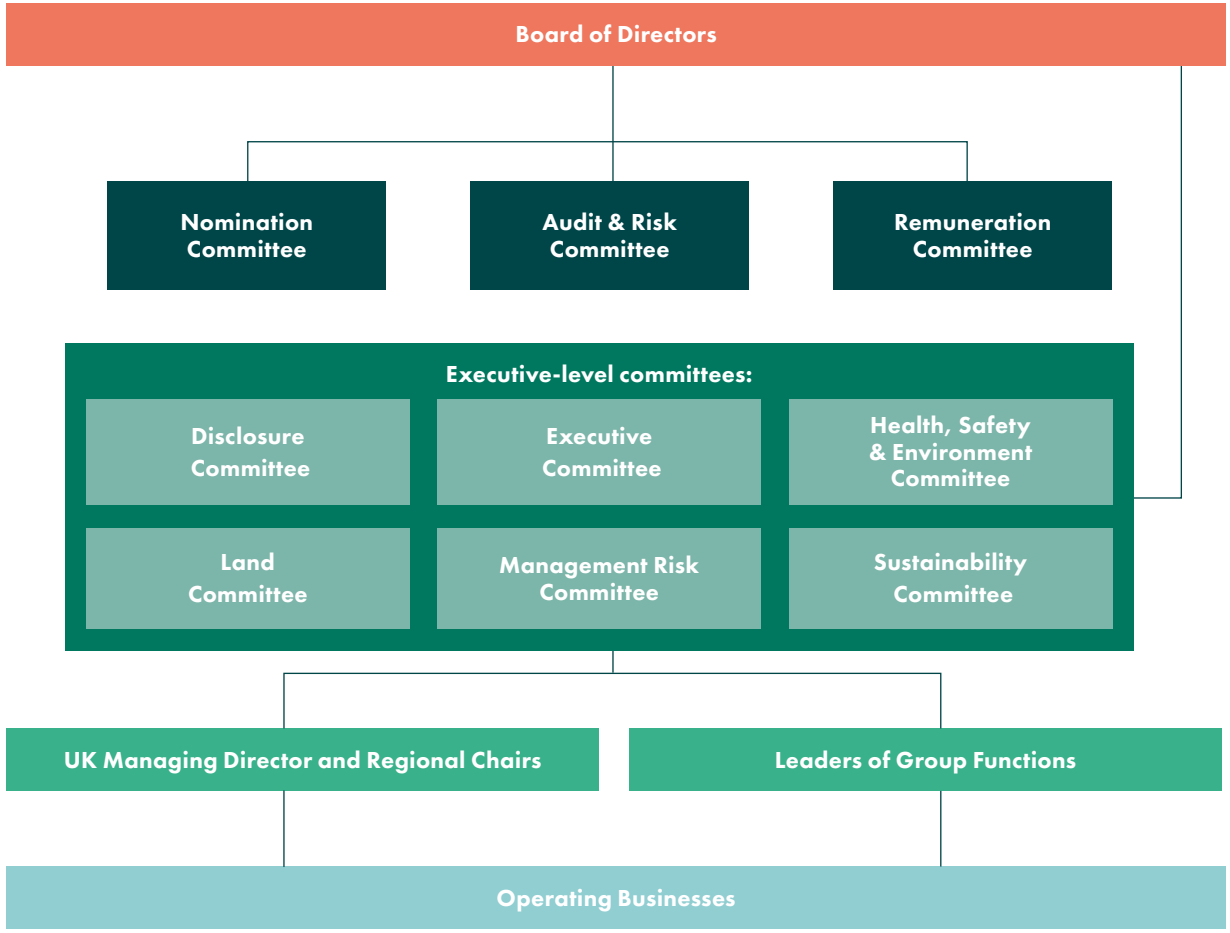
Employee Engagement Survey

GOVERNANCE STRUCTURE

The Board leads and directs the Group. It sets the Group's purpose, defines the Group's values, sets the strategy and monitors and assesses the Group's culture, with the aim of securing the long-term sustainable success of the business and generating value for all of our stakeholders.

In addition to the Board and its committees, the Group's executive-level committees play a key role in the governance of the Group:

- **Disclosure Committee –** chaired by the Chief Financial Officer, the committee reviews compliance with regulations concerning the release of information to the financial markets. The Committee considers, in conjunction with the Group's advisors, the Group's market announcements before they are presented to the Board.
- **Executive Committee –** chaired by the Group Chief Executive, the committee is a key forum where the Group's operations, performance, strategy implementation and culture are reported, considered and assessed.
- **Health, Safety & Environment Committee –** the committee is responsible for reviewing the Group's ongoing health, safety & environmental performance; and the development, implementation and monitoring of the Group's health, safety and environment strategy. Chaired by the Group Chief Executive, committee members include the Chief Financial Officer, Health, Safety & Environment Director, Regional Chairs and the Group Construction Director.
- **Land Committee –** the committee is responsible for assessing and approving all land acquisitions and disposals, within defined authority limits. Chaired by the Group Chief Executive, committee members include the Chief Financial Officer, the UK Managing Director, the Group Strategy & Regulatory Director, Regional Chairs and the Group Director of Land Operations.
- **Management Risk Committee –** the committee supports the Audit & Risk Committee in the development and oversight of the Group's risk management framework, reviews risk indicators and reviews the operational effectiveness of control activities. Chaired by the Chief Financial Officer, committee members include the Director of Internal Audit, the Chief Information Officer and the Group Sales Director.
- **Sustainability Committee –** chaired by the Group Chief Executive, the committee is responsible for developing and overseeing the implementation of the Group's sustainability strategy, policies and objectives. For further information, see page 94.



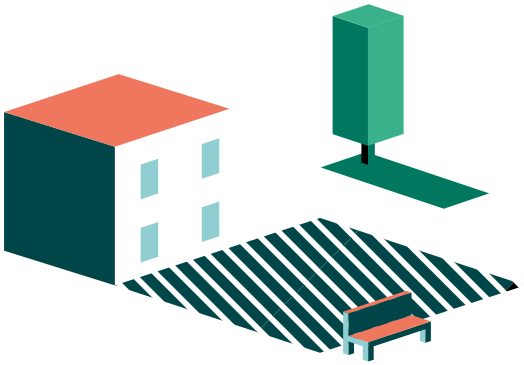
Corporate governance statement continued

GOVERNANCE STRUCTURE CONTINUED

Stakeholder engagement

To successfully implement and deliver the Group's key priorities, the Group engages extensively with its stakeholders. In doing so, the Group is able to strengthen existing business relationships and nurture new ones to deliver value for all stakeholders and ensure business sustainability.

The Board receives regular updates on stakeholder engagement including from the Group Chief Executive, Chief Financial Officer, the Group Director of Strategic Partnerships & External Affairs, the Investor Relations Director, the Chief Customer Experience Officer, the Group Construction Director and the Group Health, Safety & Environment Director. The Group's engagement with its stakeholders, and the outcomes and effects this has on the Board's decisions, is described in detail in the Section 172 Statement on pages 51 to 58.



The Sustainability Committee

The Sustainability Committee is responsible for developing and overseeing the implementation of the Group's sustainability strategy, policies and objectives. Reporting directly to the Board, the Sustainability Committee is chaired by the Group Chief Executive and members include the Group Sustainability Director, the Group Strategy and Regulatory Director, the Company Secretary, the Chief Customer Experience Officer, the Group Construction Director and the Deputy UK Managing Director. The Board receives updates on sustainability issues and performance at each of its meetings via the Group Chief Executive's Report and Business Update, and bi-annual presentations from the Group Sustainability Director.

The Sustainability Committee held three meetings during the year; topics covered included the sustainability strategy review and implementation plan, business readiness planning for the Future Homes Standard ('FHS'), sustainability performance tracking, carbon reduction progress, climate risk and TCFD reporting, ecology and Biodiversity Net Gain updates, PSP award environmental metric updates, the Group's framework for the prevention of modern slavery and the Group's Modern Slavery Statement, and policy reviews and updates.

The Sustainability Committee also supports the Board's oversight of climate change matters and oversees the implementation of the Group's climate change strategy. The Sustainability Committee ensures climate issues are being effectively considered and managed and reports its findings and recommendations to the Board. During 2025 a detailed transition risk analysis was undertaken to financially quantify the key material transition risks facing the Group.

» Further information can be found in the Climate-Related Financial Disclosures ('TCFD') on pages 59 to 69

Workforce engagement

Workforce engagement is of great importance to the Board. This engagement is facilitated by a variety of means, including the appointment of Colette O'Shea as the Designated Workforce Independent Non-Executive Director, the Group's Employee Engagement Panel and Group-wide webinars featuring the Non-Executive Directors. As explained on page 92, the Panel holds four meetings per year, which Board members frequently attend. Examples of matters raised by the Panel during the year include:

Recognition of employee long/loyal service

Issue	Noting the important contribution that long serving employees make to the success of the Group, Panel members reported that employees would appreciate a more consistent, Group-wide, approach to recognising employee long/loyal service.
Initial actions	The Group Human Resources department was tasked with designing, in consultation with the Group's senior management, a formal Loyal Service Policy.
Update	The Group's Loyal Service Policy was approved by the Executive Committee and launched across the Group during 2025. The Policy formalises the Group's approach to recognising loyal service, with financial awards made at service milestones starting at 10 years, up to 50 years. The Policy enhances employee experience and provides a consistent Group-wide approach to loyal service recognition which compliments the Group's existing practices.

Technical drawings

Issue	Panel members suggested that it would be beneficial for additional detail to be included in technical drawings and raised questions regarding the use of technical drawings on site.
Initial actions	The Chief Human Resources Officer arranged for the Group Technical Director and Group Director of Architectural Design to attend the Panel's subsequent meeting.
Update	A comprehensive presentation was delivered to the Panel, followed by Q&A. This enabled Panel members to enhance their understanding of the Group's approach to technical drawings and provided an opportunity to showcase the Group's newer, detailed, 3D working drawings; and related IT solutions.

2026 Annual General Meeting

The Annual General Meeting ('AGM') is an important opportunity for the Board to engage with shareholders.

The 2026 AGM will be held at 11.00am on 30 April 2026, at York Racecourse, Knavesmire Road, York, YO23 1EX. Shareholders are encouraged to attend. Voting will be on a poll whereby every member shall have one vote for every ordinary share held. The Notice of Meeting and AGM circular, which includes an explanation of the ordinary and special resolutions to be voted on, will be sent to shareholders on 23 March 2026 and will be available on the Company's website at www.persimmonhomes.com/corporate/investors/shareholder-centre/annual-general-meetings/.

Workforce policies and practices

Whistleblowing Policy

The Board is responsible for ensuring that an effective Whistleblowing Policy is in place and that individuals both inside and outside the Group can confidentially raise any concerns they may have. The whistleblowing provision, which encompasses the Whistleblowing Policy and associated processes, includes assurances to those reporting potential wrongdoing, that reporting a genuinely held concern will not lead to individuals suffering any form of detriment. This encourages and reassures individuals that it is safe to speak up, and therefore helps to promote a culture of openness and trust.

The Whistleblowing Policy is reviewed by the Audit & Risk Committee and the Board at least annually. The operation of the whistleblowing provision is managed by the Group Internal Audit department, which reviews and, where necessary, investigates all whistleblowing reports received. The Group Internal Audit department works with the Chief HR Officer and other senior managers as appropriate to ensure that investigations are rigorous and conducted with the necessary sensitivity. Learnings from investigations are then taken and acted upon as required.

Details of all whistleblowing reports and investigations are reviewed by the Audit & Risk Committee. The Chair of the Audit & Risk Committee is the Group's Whistleblowing Champion, acting as an independent sponsor for the whistleblowing provision. The Group's continued partnership with Protect, the whistleblowing charity, has provided access to benchmarking and good practice guidelines.

The Board remains satisfied that the Whistleblowing Policy and the supporting processes and arrangements of the whistleblowing provision remain appropriate and effective.

» Further information on the whistleblowing provision can be found on page 114

Remuneration Policy

The Remuneration Policy is voted on by shareholders at least triennially; the current policy was last approved by shareholders at the AGM on 26 April 2023, with 98.7% of votes being cast in favour. When setting the Remuneration Policy, the Remuneration Committee aims to: ensure appropriate alignment with the Group's strategy, values and key priorities; align the interests of the Executive Directors, senior management and employees with those of shareholders and wider stakeholders; and ensure that remuneration and incentives adhere to the principles of good corporate governance, support good risk management practice and promote long-term sustainable Company performance; and to have a competitive mix of fixed remuneration and short-term and long-term incentives, with stretching targets linked to the Company's financial and non-financial performance.

Prior to the shareholder vote at the 2023 AGM, the Chair of the Remuneration Committee consulted with the Company's major shareholders (representing 51.7% of the then share register) regarding the then proposed policy.

The Remuneration Policy will next be put to a shareholder vote at the AGM to be held on 30 April 2026. In advance of the 2026 AGM, the Chair of the Remuneration Committee consulted with the Company's major shareholders (representing 52.6% of the then share register) regarding the proposed policy.

For further information regarding the proposed remuneration policy that will be voted on by shareholders at the 2026 AGM, please see the Remuneration Report, pages 119 and 120, and pages 124 to 130.

Anti-Bribery and Corruption Policy

The Group has a well-established Anti-Bribery and Corruption Policy, which forms an extension to our Code of Ethics, setting out our zero-tolerance approach to any form of bribery and corruption. Through this policy, the Board aims to reinforce a culture where bribery and corruption are never seen as acceptable behaviours. This applies to all Group employees, businesses and operations, and extends to our relationships with all of our suppliers, sub-contractors and intermediaries, supporting our reputation for ethical conduct, and fostering long-term, mutually beneficial relationships with our supply chain.

The Group maintains a comprehensive suite of anti-bribery and corruption controls and oversight arrangements. These include robust and transparent tendering processes to ensure appropriate decision making when appointing new suppliers and subcontractors. Our Policy is made available to all stakeholders via our corporate website, with monitoring processes also in place to promote awareness of potential bribery and corruption issues, including training and awareness programmes which are regularly reviewed and updated by the Group Head of Training. The Group's independent whistleblowing provision supports the Policy to enable prevention, detection and reporting of bribery and corruption. The Group Internal Audit department, which reports to the Board via the Audit & Risk Committee, provides independent assurance on the effective operation of these controls and activities.

Equality, Diversity and Inclusion Policy

A description of the Group's Equality, Diversity and Inclusion Policy, its objectives, implementation and results achieved during the year can be found on pages 27, 48 and 104 and 105.

Preventing Fraud Policy

As part of the Group's compliance with the Economic Crime and Corporate Transparency Act 2023, the Group has implemented a Preventing Fraud Policy. The Board and the Group do not tolerate fraud in any form. The Board's aim is to ensure a culture in which fraud is not seen as acceptable and that employees, agents, consultants, customers, suppliers and sub-contractors understand the importance of preventing fraud. The Group has fraud prevention procedures in place and provides fraud prevention training. To ensure continued effectiveness, the Group reviews its fraud prevention processes on a routine basis. The policy is supported by the work of the Group Internal Audit department, and the Group's independent whistleblowing provision.

Division of responsibilities

There is a clear, written division of responsibilities between the Chairman and the Group Chief Executive, which was approved by the Board. The responsibilities of the Senior Independent Director are set out in a letter of appointment. Terms of reference for the Board's Committees are reviewed annually. They are available on the Company's website www.persimmonhomes.com/corporate/investors/corporate-governance/board-committees/ or from the Company Secretary at the Company's registered office. More than half of Board members (excluding the Chairman) are Independent Non-Executive Directors and no one individual or group of individuals has the ability to dominate the Board's decision making.

Corporate governance statement continued

GOVERNANCE STRUCTURE CONTINUED

Workforce policies and practices continued

Division of responsibilities continued

Role	Responsibilities
Chairman Roger Devlin	• Leading the Board and responsible for its overall effectiveness in directing the Company. • Upholding high standards of integrity and probity and supporting the Directors in instilling the appropriate culture, values and behaviours in the boardroom and throughout the Group's operations. • Setting the agenda for Board meetings and setting the style and tone of all discussions to promote effective decision making, constructive debate and participation by all Directors. • Promoting an effective Board and having a prime role, via the Nomination Committee, in succession planning. • Promoting effective professional relationships and open communication, both inside and outside the boardroom, between the Non-Executive Directors and the Executive team. • Promoting high standards of corporate governance. • Constructively challenging the Executive Directors and assisting in the development of strategy proposals. • Scrutinising the performance of management in meeting agreed goals and objectives, and monitoring the reporting of performance. • Ensuring that all Directors receive high-quality information sufficiently in advance of Board meetings. • Leading the annual board performance review. » The Chairman's Statement and the Chairman's Introduction to Corporate Governance can be located on pages 4 and 5 and pages 83 and 84, respectively
Group Chief Executive Dean Finch	• Leading the Executive team in running the Group's business. • Leading the development of the Group's strategy and implementing the strategy as agreed by the Board. • Working closely with the Chairman to support the effectiveness of the Board. • Leading by example and ensuring effective communication of the Board's agreed strategy and desired culture to the Group's management and workforce. • Supporting the Chairman to ensure that appropriate standards of governance permeate throughout the Group. • Communicating the views of senior management to the Board to aid effective decision making. • Ensuring that the Board receives accurate high-quality information from management in a timely manner. • Listening to the constructive challenge of the Non-Executive Directors, and encouraging Non-Executive Directors to test proposals in light of their external experience and knowledge. » The Group Chief Executive's statement can be located on pages 13 to 15
Chief Financial Officer Andrew Duxbury	• Supporting the Group Chief Executive in developing and implementing strategy and alignment to financial objectives. • Leading the Group's relationship with banks and shareholders. • Stewardship of the Group's financial resources and risk management. • Ensuring that financial information and financial controls and systems of risk management are robust, and reporting this to the Board. » The Financial Review can be located on pages 22 to 24
Senior Independent Director Annemarie Durbin (from 1 May 2025)[1] Nigel Mills (until 1 May 2025)	• In addition to her role as a Non-Executive Director, acting as a sounding board for the Chairman and an intermediary for other Directors. • Leading the annual performance review of the Chairman. • Being available to shareholders for them to raise any concerns they may have outside of the usual channels of communication.
Non-Executive Directors ('NEDs') Andrew Wyllie Alexandra Depledge Paula Bell Anand Aithal[2]	• Supporting and constructively challenging the Executive Directors in developing, determining and implementing the Group's strategy. • Bringing independent judgement and scrutiny to decisions recommended by the Executive Directors and monitoring the reporting of performance. • Contributing a broad range of views, skills and experience. • Devoting time to developing and refreshing knowledge and skills. • Monitoring delivery of the agreed strategy within the risk and control framework set by the Board. • Reviewing the integrity of financial information and satisfying themselves that risk management systems are robust.
Designated Workforce NED Colette O'Shea	• In addition to her role as a Non-Executive Director, attending meetings of the Employee Engagement Panel and facilitating effective two-way communication, meaningful dialogue and engagement between the Board and the Group's workforce. • Acting as a direct link between the Employee Engagement Panel and the Board.
Company Secretary Tracy Davison	• Advising the Board and supporting the Chairman on corporate governance matters. • Ensuring a good flow of information to the Board, its Committees and senior management. • Promoting compliance with statutory and regulatory requirements and Board procedures, and ensuring that regular updates are provided to the Board when necessary. • Working with the Chairman to organise and deliver the Board's annual performance review. • Providing guidance and support to Directors, individually and collectively. • Ensuring that all new Directors receive thorough inductions that are adapted to meet their needs and requirements.

1. Appointed as the Senior Independent Director on 1 May 2025, following Nigel Mill's retirement from the Board.
2. Appointed on 1 January 2025.

Matters Reserved for the Board

The Board has a formal schedule of matters reserved for its consideration and decision, which is reviewed annually. The schedule includes:

- Setting the Group's purpose, values and standards;
- Approving the Group's strategy;
- Changes to the Group's structure and capital;
- Approving the annual report and accounts, and half-year results and trading updates;
- Approving the Capital Allocation Policy, recommending final dividend payments and agreeing interim dividend payments;
- Ensuring a sound system of internal control and risk management, as recommended by the Audit & Risk Committee, including reviewing the effectiveness of the Group's risk and control processes;
- Approving material capital projects and contracts;
- Approving resolutions and corresponding documentation to be put forward to shareholders at general meetings;
- Approving changes to the membership and composition of the Board, as recommended by the Nomination Committee;
- Delegations of authority;
- Corporate governance matters including considering the annual performance review of the Board and its Committees; and
- The review and approval of various policies.

The Group has a Conflicts of Interest Policy to govern the process of identifying, recording and managing any potential conflicts of interest of the Group's senior management team and wider workforce. To support the aims of the Conflicts of Interest Policy, the Group Risk & Internal Audit department oversees an annual process of obtaining declarations from individuals, with detailed reporting on potential conflicts of interest and mitigation controls, which is reported to the Audit & Risk Committee on an annual basis. Furthermore, declarations of interest are made (if applicable) at every Board and Committee meeting.

Board external appointments

The Directors recognise that external appointments can broaden an individual's skills and experience. If an Executive Director wishes to take up an external appointment, they must first seek approval from the Chairman.

Board composition

Chairman

On appointment, Roger Devlin, Chairman, satisfied the criteria for independence specified in the UK Corporate Governance Code 2024. The Chairman, supported by the Company Secretary, sets the agenda for Board meetings and ensures that Board members are provided with accurate, timely and clear information. The Chairman ensures that Board meetings are a forum for open and constructive debate and that the views of all Directors are valued and considered.

Senior Independent Director

Annemarie Durbin was appointed as the Senior Independent Director with effect from 1 May 2025, following Nigel Mills' retirement from the Board at the Annual General Meeting held on the same date.

Company Secretary

The Board is supported by the Company Secretary to ensure the necessary policies, processes, information and resources are in place in order that the Board can function effectively and efficiently. All Directors have access to the advice of the Company Secretary and may seek external professional advice at the expense of the Company in regard to their role with the Group.

Non-Executive Directors

The Non-Executive Directors have expertise which complements that of the Executive Directors. Between them, the Non-Executive Directors have experience in fields such as construction and engineering, property, HR, executive leadership coaching, technology, banking and finance. The collective experience of the Non-Executive Directors allows them to make valuable contributions to Board discussions, providing insight, strategic guidance, a diversity of views and constructive challenge to the Executive Directors.

» For further information on the skills and contribution of each Director see pages 86 and 87

Only Non-Executive Directors are members of the Board's Audit & Risk, Remuneration and Nomination Committees. The Chairman regularly holds meetings with the Non-Executive Directors without the Executive Directors being present.

All Directors are required to allocate sufficient time to the Group to discharge their duties. Prior to the appointment process the Nomination Committee considers the other demands on a potential Director's time and provides the Director with an assessment of the time commitment required of their role on the Company's Board.

The Board considers all the Non-Executive Directors to be independent.

Corporate governance statement continued

EVALUATION: ANNUAL BOARD PERFORMANCE REVIEW

The Board's policy is to undertake an annual review of its performance and that of its Committees and Directors, with an externally facilitated review at least triennially.

During the year the Board undertook a formal, rigorous internally facilitated performance review, led by the Chairman and supported by the Company Secretary. The performance review utilised BoardClic, a digital board performance review platform, whereby all Board members completed thorough questionnaires in respect of their roles on the Company's Board and the Board's Committees. The questionnaires were designed in the context of the UK Corporate Governance Code 2024 and corporate governance best practice.

In addition to the 2025 Board performance review, the BoardClic platform was also used for the Board's internally facilitated performance reviews in 2022 and 2023.

Process – Annual Board Performance Review 2025

1. Planning

Due to the thorough, and best practice informed, questionnaires provided by BoardClic during the 2022 and 2023 internally facilitated Board performance reviews, and BoardClic's use of technology, the Chairman, supported by the Company Secretary, agreed to engage BoardClic for the 2025 Board performance review.

The Company Secretary reviewed the Board and Committee questionnaires before they were circulated, to ensure they were appropriate and referred to all relevant matters.

2. Execution

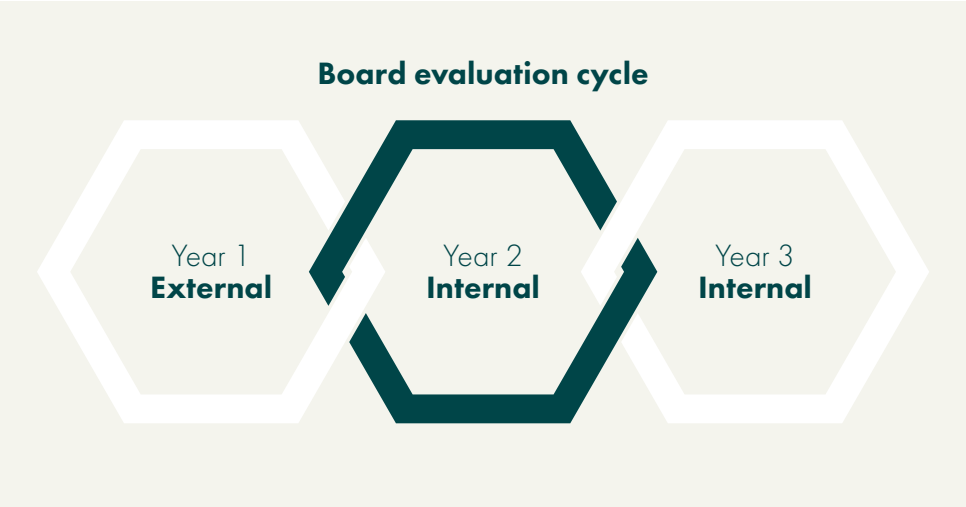
The questionnaires were circulated to the Board and its Committees for completion.

3. Analysis and review

Anonymised questionnaire responses, including BoardClic's scoring and benchmarking, were reviewed by the Company Secretary and shared with the Chairman and the Chairs of the Board's Committees.

4. Results

The results of the performance review were shared with the Board and each Committee Chair for consideration and discussion. Areas of high performance were noted, and actions for enhancement were agreed.



Annual Board Performance Review 2025

The 2025 performance review identified a number of areas of strength:

What the Board does well
The Chairman promotes open discussion that leverages the Board's collective knowledge and experience.
The Board's operating style is constructive and dynamic.
Board materials and management reports are clear, concise and support informed decision making.
The Board challenges management to ensure that investments align with long-term strategic goals.

The performance review also identified areas for potential improvement:

What the Board or its Committees could do better	Action
The Board could more regularly assess the strategy implementation process.	The Board holds its Strategy Day in October annually, and receives strategy updates in April annually. Following consideration of the most appropriate performance indicators, the Group Chief Executive's Report and Business Update was enhanced to include additional reporting on strategy implementation and progress achieved.
Delegation of authorities.	The Matters Reserved for the Board are reviewed in December annually. However, the performance evaluation indicated that the Board would appreciate further consideration of the delegation of authorities to the executive/management. Consequently, this issue will be given additional consideration by the Board during 2026.
Enhancing succession plans by linking them more closely to the Group's strategy.	To further support the work of the Nomination Committee, the Chief HR Officer will give further consideration to how succession plans, and their linkage to the Group's strategy, can be enhanced. In addition, to aid the discussion and consideration of matters such as diversity & inclusion, the Group Chief Executive will more frequently attend relevant parts of Nomination Committee meetings.

Performance Review of Board Committees

The findings of each Committee's performance review were presented to the Board. The Chairman also discussed the findings with each Committee Chair.

The performance review noted that the Board's Committees are performing well and led by effective Chairs who facilitate high-quality discussion. It was noted that the Nomination Committee should continue its focus on succession planning and diversity & inclusion.

Performance Review of individual Directors

Following individual performance reviews, it is considered that the Chairman and Non-Executive Directors have individually performed well in their roles and have shown a high level of independence and commitment. Their collective experience allows them to make valuable contributions to Board discussions, providing insight, strategic guidance, a diversity of views and constructive challenge to the Executive team.

The Board also considers that the Group Chief Executive and Chief Financial Officer have performed well in their roles during the year. Dean Finch continues to demonstrate strong leadership of the business with a focus on build quality, customer care, stakeholder value, sustainability and strong long-term returns to shareholders. Andrew Duxbury continues to make a significant contribution to the business. Andrew continues to support the execution of the Group's strategy and continues to enhance the Group's finance function, making it an enabler of business growth.

Performance Review of the Chairman

The Chairman's performance was formally reviewed by the Non-Executive Directors, led by Annemarie Durbin, the Senior Independent Director. Private discussions were held between the Senior Independent Director and each of the Non-Executive Directors. The review concluded that the Chairman is well-qualified to lead the Board; he is highly experienced, is a strong advocate for the Group's culture of consistently delivering high quality homes, and leads the Board's focus on efficiency, innovation and quality. Following the review, it is considered that the Chairman continues to perform well in his role and has the support of the Board.

Corporate governance statement continued

EVALUATION: ANNUAL BOARD PERFORMANCE REVIEW CONTINUED

Annual Board Performance Review 2024 – progress made during 2025

The outcome of the Board Performance Review conducted in 2024 is set out below, along with the actions taken during 2025 to strengthen the Board and its Committees.

What the Board does well
The Board benefits from a highly experienced Chairman, who engages well with Executives while ensuring Board members are kept fully informed about changes in the business.
The Board has committed, knowledgeable Independent Non-Executive Directors with a wide range of skills and experience, who engage well with the business.
The Board operates with a high degree of openness and transparency.
The Board's Committees are led by well-qualified Chairs, give good coverage to their areas of responsibility and provide high-quality inputs to the Board.

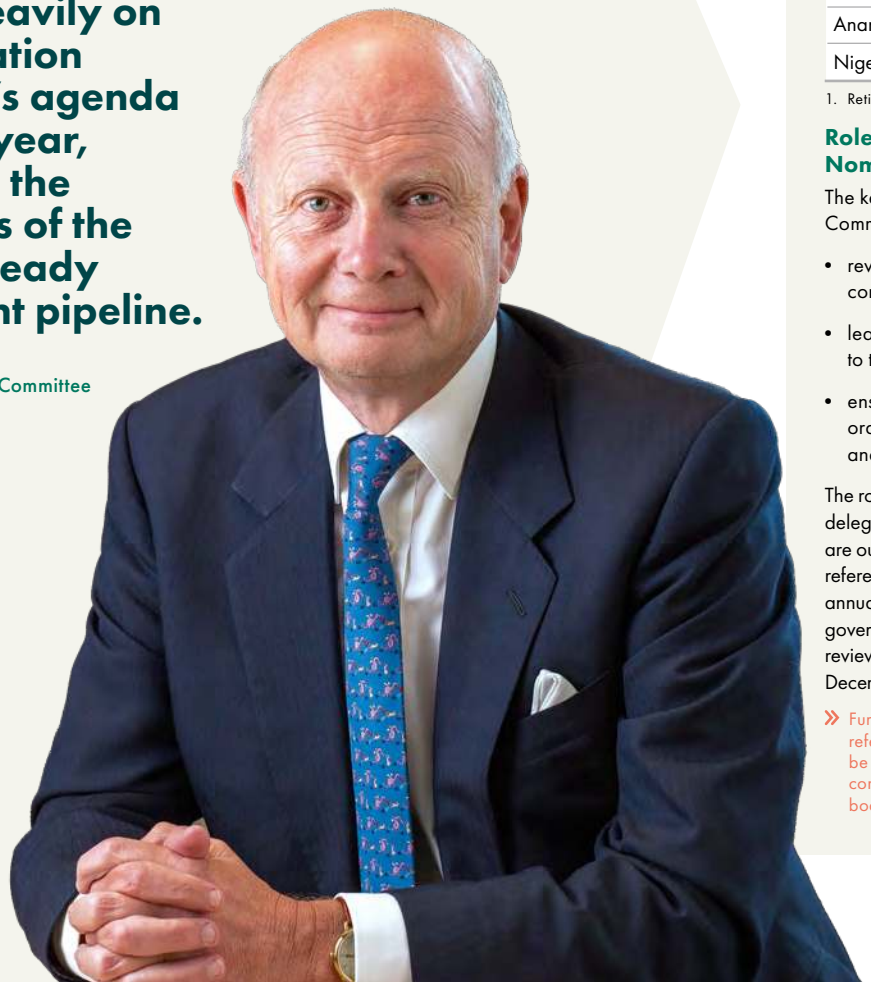
What the Board could do better	Action	Progress during the year (2025)
Financial information	Comprehensive financial information is included in the papers issued prior to all Board meetings. However, to improve Board oversight of this area between meetings, financial updates will be issued to the Board on a monthly basis from the 2025 financial year.	Monthly financial updates were issued to the Board during 2025, providing oversight of trading and cash performance. Monthly financial updates will continue to be issued going forward.
Strategy	The Board holds a Strategy Day every October, where the Group's strategy is debated, reviewed and agreed. To enhance the Board's role in strategy development, Strategy Updates will continue to be included regularly in Board meetings.	The Chief Financial Officer, Group Strategy & Regulatory Director and UK Managing Director delivered a Strategy Update presentation at the Board's meeting in April 2025. In addition, the Board received reports and presentations throughout the year on strategically important matters, including sustainability, strategic land, customer experience and the development of the Group's brands.
Culture	The Non-Executive Directors conduct site visits, present at leadership development events and employee conferences; and attend Employee Engagement Panel meetings. To gain a better understanding of the Group's culture and to further enhance the visibility of Non-Executive Directors among the Group's employees, the Non-Executives are encouraged to undertake additional site visits.	The Non-Executive Directors undertook a number of site visits during the year, visiting sites in the Essex and South East regions. In addition, the during the year the Board visited two sites in the East Midlands region and toured the Space4 factory in Birmingham.
Sustainability	The Board receives sustainability updates at each of its meetings via the Group Chief Executive's Report and Business Update. However, to reinforce the Board's oversight of this area, the Group's Sustainability Director will attend Board meetings on at least a bi-annual basis to report on, and discuss, the work of the Group's Sustainability Committee.	Bi-annual Sustainability Updates were delivered to the Board by the Group Sustainability Director during the year.

Nomination Committee report

COMMITTEE CHAIR'S STATEMENT

Succession planning featured heavily on the Nomination Committee's agenda during the year, building on the foundations of the Group's already strong talent pipeline.

Roger Devlin
Chair of the Nomination Committee



Nomination Committee members and meeting attendance 2025

	Scheduled meetings attended	Percentage of meetings attended
Roger Devlin (Chair)	3/3	100%
Annemarie Durbin	3/3	100%
Andrew Wyllie	3/3	100%
Alexandra Depledge	3/3	100%
Colette O'Shea	3/3	100%
Paula Bell	3/3	100%
Anand Aithal	3/3	100%
Nigel Mills[1]	1/1	100%

1. Retired from the Committee on 1 May 2025.

Role and purpose of the Nomination Committee

The key duties of the Nomination Committee include:

- reviewing the structure, size and composition of the Board;
- leading the process for appointments to the Board; and
- ensuring that plans are in place for orderly succession to both the Board and senior management.

The role, responsibilities and authority delegated to the Nomination Committee are outlined within the Committee's terms of reference. The terms of reference are reviewed annually to maintain alignment with corporate governance best practice. The most recent review of the terms of reference took place in December 2025, where no updates were made.

» Further details of the members, terms of reference and primary role of the committee can be found here: www.persimmonhomes.com/corporate/investors/corporate-governance/board-committees/

On behalf of the Board, I am pleased to present the Nomination Committee's report for the year ended 31 December 2025.

Board changes

The Nomination Committee aims to ensure that the Board and Committees have an appropriate combination of skills, experience and knowledge, and that appointments promote diversity, inclusion and equal opportunity. Anand Aithal was appointed as an Independent Non-Executive Director and a member of the Nomination Committee and Remuneration Committee, on 1 January 2025. Following his appointment, Anand received a full, formal and tailored induction supported by the Company Secretary. During his first year, the Board and its Committees have benefited from his experience across many sectors as a senior executive, entrepreneur and Non-Executive. Anand's appointment was subsequently approved by shareholders at the 2025 AGM. Details of Anand's appointment and induction process were provided in the Nomination Committee's report on page 103.

After nine years of service, Nigel Mills stepped down from the Board and as Senior Independent Director on 1 May 2025. Annemarie Durbin was appointed as the Senior Independent Director on the same date. Since her appointment as Senior Independent Director, Annemarie has acted as a trusted sounding board to me and to my fellow directors.

Following the changes outlined above, the Nomination Committee remains satisfied that the Board is well balanced, with an appropriate blend of skills and expertise to deliver the Group's strategy.

Nomination Committee report continued

2025 Governance Highlights

Anand Aithal appointed as a Non-Executive Director on 1 January 2025.	See page 87 for further details
Considered talent and succession planning for the Board and the senior management team.	See pages 106 and 107 for further details
Reviewed and updated the Equality, Diversity & Inclusion Policy to ensure that this is effective in progressing the Group towards its targets.	See page 105 for further details
Received updates and requested details on the work undertaken by the Group in developing a more diverse workforce.	See page 106 for further details
Reviewed the Group's activities to develop and retain talent and ensure robust succession planning across the senior leadership team as well as the wider employee base.	See pages 106 and 107 for further details

2026 Governance Priorities

Ensuring regular reviews of the structure, size and composition of the Board and its committees to ensure that it contains an appropriate combination of skills, experience and knowledge.	See page 103 for further details
Taking appropriate steps to further enhance the Board's performance and effectiveness following the outcomes of the internal Board Performance Review.	See pages 98 to 100 for further details
Reviewing the Group's activities to develop and retain talent and ensure robust succession planning across the senior leadership team as well as the wider employee base.	See page 107 for further details
Building on the existing Board Skills Matrix and identifying opportunities for further Board development.	See page 104 for further details
Continuing to monitor the actions to increase the diversity of the workforce.	See page 104 for further details

Succession planning and talent development

Succession planning featured heavily on the Nomination Committee's agenda during the year, building on the foundations of the Group's already strong talent pipeline. Board succession was reviewed by the Nomination Committee, in line with the UK Corporate Governance Code 2024.

During the year, the Committee also reviewed the medium-term succession plans for the executive and senior leadership team, including the skills and qualities required for potential successors to the executive. The Nomination Committee also received updates on the composition and capabilities of the senior leadership team and wider workforce, recognising this as essential to ensuring the Group's future leaders possess the requisite experience, skills and diversity.

The Board Skills Matrix was considered during the year and was employed to assess the current competencies, experience and diversity represented by the Board.

The Nomination Committee considered short, medium and long-term succession planning. The Chief HR Officer and Director of Talent and Diversity provided regular updates on the Group's progress on talent and succession, as well as planned activities to develop high-potential employees, and informed the Board of how the activities aligned with the Group's strategy and Equality, Diversity and Inclusion strategy and targets.

Further information on the Nomination Committee's approach to succession planning and talent development can be found on pages 106 and 107

Equality, diversity and inclusion

The Nomination Committee remained focused on the Group increasing diversity of its employees, particularly increasing the representation of both female employees and those from ethnic minority backgrounds. I am pleased that, the Board is in full compliance with the gender and ethnicity targets set in the Listing Rules, the Parker Review and the FTSE Women Leaders Review. The Nomination Committee reviewed the strategies set by the management team to increase diversity and inclusion of Group employees. As part of this, the Nomination Committee monitored the progress made towards achieving its ethnic diversity target for the Group's senior management team, which included updates on the ethnic composition within the senior leadership team and in the workforce as a whole and the plans to increase representation.

The Nomination Committee reviewed the Equality, Diversity and Inclusion Policy during the year. The Chief HR Officer and Director of Talent and Diversity refreshed the Policy, which sets out the Group's responsibilities and its approach to increasing equality, diversity and inclusion within the business.

Board performance

An internally facilitated Board Performance Review took place during the year, which examined the Board's effectiveness. The results of the Board Performance Review were considered by the Board and its Committees. It is encouraging that the outcome of the process was that the Board and its Committees, including the Nomination Committee, continue to operate effectively. Consistent with previous Board Performance Reviews, areas for improvement which were highlighted will be considered this year.

Further information on the Board Performance Review can be found on pages 98 to 100

Looking ahead

In 2026, the Nomination Committee will maintain its focus on ensuring that Board appointments are made through a fair, transparent and rigorous process, aligned with the strategic needs of the Group. Particular attention will be given to succession planning, diversity of skills and experience, and ongoing Board performance. The Nomination Committee remains committed to supporting the long-term success of the Group through effective governance and leadership oversight.

Lastly, I would like to thank the members of the Nomination Committee for their work during the year. The Nomination Committee has made progress in achieving its key duties, helped by the collaboration, communication and commitment shown by its members. I am confident that going into 2026, the Nomination Committee is well-equipped to continue to ensure that the Group maintains a robust and transparent approach to Board composition, leadership succession, and governance excellence.

Roger Devlin
Chair of the Nomination Committee
9 March 2026

Summary of the Nomination Committee's work during the year

The Nomination Committee receives updates on various matters including succession planning, Board and workforce composition, and the promotion of diversity, inclusion and equal opportunities, which are reviewed periodically to align with the UK Corporate Governance Code 2024 and the Group's strategic priorities.

Theme	Activity/discussion	Mar 25	Jun 25	Dec 25
Oversee the development of a diverse and talented workforce	Board and Group diversity and inclusion	✓	✓	✓
	Board and Group talent	✓	✓	✓
Ensure that plans are in place for orderly succession to both the Board and senior management	Board/management skills mapping	✓		
	Board succession	✓	✓	✓
	Senior leadership succession	✓	✓	✓
Other	Corporate reporting	✓		
	Corporate governance matters	✓		✓

Composition of the Nomination Committee

During the year, the members of the Nomination Committee comprised the Chairman of the Board, who also chairs the Nomination Committee, as well as the Board's Independent Non-Executive Directors. As previously reported, Anand Aithal joined the Nomination Committee on 1 January 2025.

Members are recused from meetings when the Nomination Committee discusses matters which may concern them. In line with its role and purpose, the Nomination Committee receives updates on matters including succession, diversity and talent development. Meetings are also attended, in full or in part, by other individuals upon invitation, for presentations and updates. Attendees include the Group Chief Executive, the Chief HR Officer and the Director of Talent and Diversity. The Nomination Committee's terms of reference mandate that the Nomination Committee should meet at least twice a year and otherwise as required. During the year, the Nomination Committee held three scheduled meetings.

During the year, the Board and its Committees underwent an internal Performance Review, which included a dedicated review of the Nomination Committee. This Performance Review assessed the Committee's effectiveness across key areas such as its remit and responsibilities, composition, leadership, and the robustness of its processes and procedures. The overall comments received were positive, including that the Nomination Committee Chair is an effective leader, communication flows are effective between the Board and the Nomination Committee, and that the members of the Nomination Committee feel confident bringing business challenges and concerns to the Committee for discussion.

» Further information on the internal Performance Reviews can be found on pages 98 to 100

Board composition

Board changes and inductions

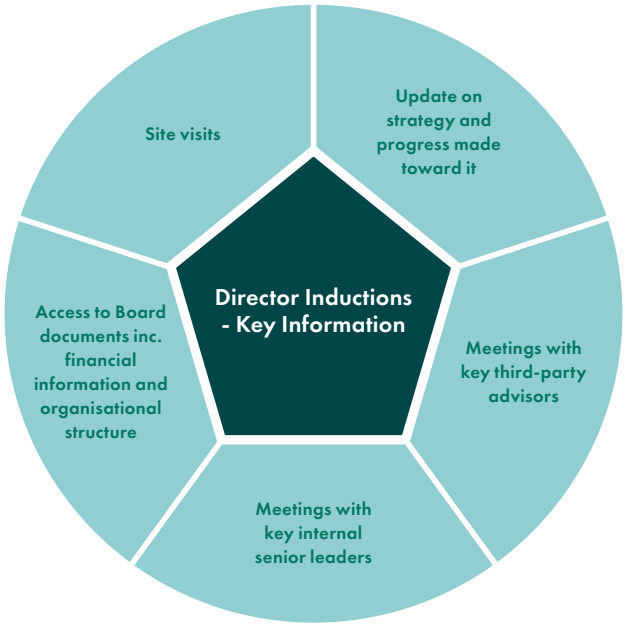
As previously reported, following his appointment to the Board, Anand Aithal received a comprehensive and tailored induction to the Group. Facilitated by the Company Secretary, the induction took place over several days and included meetings with senior executives across the Group and key external parties, as well as operational site visits. Following the completion of his induction, Anand provided feedback to assist in refining the process for future appointments. Anand's feedback was positive and confirmed that he particularly benefited from in-person meetings, which assisted him to build relationships with the Group's senior executives and key external parties.

Nigel Mills retired from the Board and as Senior Independent Director, at the conclusion of the Company's Annual General Meeting on 1 May 2025, after nine years of valuable service. Following Nigel's retirement, and due to her strong leadership skills, accompanied by her governance expertise and proficiency in stakeholder management and mentoring, Annemarie Durbin was appointed as Senior Independent Director. Since her appointment as Senior Independent Director, Annemarie has fostered open dialogue and served as a trusted sounding board for the Chairman and her fellow members of the Board.

» The biographies of the Board, which contain information on their experience and skills, can be found on pages 86 and 87

Board Induction Packs

Directors receive access to key information and attend introductory meetings as appropriate, including the following:



Nomination Committee report continued

Diversity and Inclusion Dashboard

During the year, the Nomination Committee regularly reviewed diversity data presented by the Chief HR Officer and Director of Talent and Diversity. This included the Group's performance against gender and ethnicity targets, broken down by function, as well as analysis of employee composition by gender, age, ethnicity, disability, and length of service.

Board appointment process

1 – Specification

Objectives for recruitment agreed. Candidate specification reviewed and refreshed. This includes a candidate specification describing the Group's business and strategy, and essential candidate skills and experience. Consideration is given to the existing composition, size, skills, experience and knowledge of the Board, and to ensuring that the appointment process supports diversity, inclusion and equal opportunities.

2 – Search

The Nomination Committee usually engages with an external search firm which specialises in recruitment in this area. Identification of a diverse pool of candidates, both internal and external (role dependent), using inclusive search practices and objective assessment criteria to support equal opportunities.

3 – Assessment

A longlist of candidates is produced. Candidates are assessed for a number of factors including knowledge, capability, leadership and delivery. A shortlist of candidates is agreed.

4 – Interview

The shortlisted candidates are interviewed by the Nomination Committee and other senior executives (role dependent). Preferred candidates may be requested to undertake other assessments and/or interviews with external third parties. The interview process will often be supported by the Chief HR Officer.

5 – Selection, recommendation and appointment

The Nomination Committee considers the feedback from the interviews and references are sought. The Nomination Committee makes a recommendation to the Board regarding the appointment. The Board then considers, and if appropriate, agrees the appointment. Following the appointment, an announcement is made to the London Stock Exchange.

Board Skills, Knowledge and Experience Matrix

The assessment of the Board's skills includes scoring against a variety of competency areas, including strategic thinking and leadership, governance and compliance, industry experience and knowledge, technology and innovation, and financial reporting oversight. In addition to this, the Board's diversity and social mobility data were also reviewed. The matrix includes competency areas considered important to deliver the Group's strategy, with the challenges and opportunities facing the Group. The current blend of skills, knowledge, experience and capabilities of Board members is considered appropriate to deliver the Board's strategy. The Board's skills will be reviewed regularly and any gaps would be addressed in future appointments or by leveraging external support and training.

Equality, Diversity and Inclusion

The Nomination Committee monitors the Group's progress against the Equality, Diversity and Inclusion Strategy. It also monitors recruitment and succession planning processes, to ensure they reflect the Group's commitment to building a diverse and inclusive workforce. In line with this commitment, appointments to the Board and Senior Management are made to promote diversity, inclusion and equal opportunity across the organisation.

The Nomination Committee received updates on enhancements to the Group's recruitment processes aimed at attracting a more diverse range of candidates. The Group appointed a new Talent Acquisition Manager, whose role includes reshaping the employer brand and driving progress towards the Group's diversity targets. In addition, the Committee noted the Group's partnership with a specialist recruitment provider to deliver targeted initiatives that support inclusive recruitment practices. These developments reflect the proactive approach that the Group is taking to embed the principles of the Equality, Diversity and Inclusion Strategy into recruitment and succession planning, ensuring that the Group continues to build a workforce that reflects the communities it serves.

Future Goals: By 2030, to have a more diverse and inclusive workforce, with a particular focus on increasing diversity among our employees and leadership.

- Diversity and Inclusion employee data available 2025 (v 2024)
- Number of female senior managers 2025 (v 2024)
- Number of ethnic minority employees 2025 (v 2024)

Policy and strategy

The Group remains committed to fostering an inclusive culture that promotes equality, fairness and respect for all individuals. Our Equality, Diversity and Inclusion Policy ('ED&I Policy'), applies to all employees. It will be reviewed regularly by the Nomination Committee, to ensure its continued effectiveness and alignment with best practice, and to ensure that it promotes the desired culture, values and wider strategy. The Policy includes the Group's approach to preventing unlawful discrimination in line with the Equality Act 2010 on the basis of protected characteristics, including race, disability, or age.

To support delivery of this commitment, during the year the Group implemented an Equality, Diversity & Inclusion Plan that outlines the governance framework and actions required to embed diversity and inclusion across key areas such as recruitment, training, career development and accessibility. While the ED&I Policy references specific legal protections, the Group recognises that diversity extends beyond these characteristics and is dynamic in nature. The Board firmly believes that a diverse workforce enhances innovation, strengthens organisational performance and reflects our customer base and the communities in which we operate.

Purposes of the Equality, Diversity and Inclusion Policy

- Led by the Board and Executive Leadership team, to help ensure that the Group integrates equality, diversity and inclusion into what we do. To ensure that equality, diversity and inclusion are upheld and that real change is delivered.
- To set responsibilities to ensure all colleagues and managers are aware of their role in creating an inclusive culture.
- To protect everyone who works with us from discrimination, harassment, and victimisation.
- To ensure that the Group is a meritocracy, meaning that our employees will have the opportunity to grow and develop their careers based on how they perform, not on characteristics such as their social class and education.
- To ensure that everyone has equal access to opportunities, resources and support.
- To recognise and appreciate the perspectives, experiences, and skills that a mix of people from different age groups, backgrounds, or ways of thinking can bring to the Group.
- To ensure that everyone feels valued, respected, and part of the team.

» The Equality, Diversity and Inclusion Policy is available on the Group's corporate website: www.persimmonhomes.com/corporate/sustainability/policies-and-statements/

Outcome: The refreshed ED&I Policy provides colleagues with clear examples of how the Group is putting equality, diversity and inclusion into action, as well as listing examples of the responsibilities of colleagues. More comprehensive guidance is included on raising concerns and finding support, encouraging colleagues to speak up if they have experienced discrimination, harassment or victimisation. The Policy also sets out a clear statement of why diversity and inclusion are important to the Group, outlines the relevant legislative context, and explains what ED&I means in practice in terms of expected behaviours. It further details the actions the Group is taking to embed ED&I across its operations, ensuring that colleagues understand both the organisational commitment and their role in supporting it. Following careful consideration, the Nomination Committee agreed that the refreshed ED&I Policy be adopted and is confident that this sets clear standards to ensure colleagues feel respected and valued in an environment where people from all backgrounds can thrive.

The Board sets the tone from the top by championing Equality, Diversity and Inclusion values and ensuring they are reflected in strategic decisions, policies, and leadership behaviours. By meeting the FCA Listing Rule targets on board diversity, the Board demonstrates its commitment to representation and inclusion at the highest level, creating a framework that sets the direction for senior management and across the organisation. This approach reinforces accountability and signals that diversity is fundamental to drive innovation, fairness, and sustainable success. Through visible leadership and adherence to these standards, the Board ensures that Equality, Diversity and Inclusion principles are integral to recruitment, development, and progression throughout the Group. This enables the Board to advance the Group's strategy by embedding inclusive practices that strengthen decision-making, enhance organisational resilience, and support long-term sustainable success.

Additional initiatives

Existing network groups, including Persimmon Pride and the Women's Network, continued to meet in 2025, whilst new networks, including the Carers Network, were established. Alongside initiatives like 'Persimmon People' and our Religion and Culture group, these groups have played an important role in supporting the Group's wider strategy by helping to create an inclusive, engaged workforce that is better positioned to deliver high-quality outcomes, and support the attraction and retention of diverse talent aligned to our long-term organisational needs.

During the year, we launched a coaching initiative designed to 'lift up' and support internal talent. This programme directly supports the Group's strategic focus on developing a diverse pool of internal capability and strengthening our succession pipeline, ensuring that colleagues from all backgrounds have equitable access to development opportunities and that future leadership reflects the diversity of our organisation and the communities we serve.

» Further information on the initiatives used to support the Group's diversity and inclusion is located on page 107

During 2025, the Group participated in external diversity initiatives, including the FTSE Women Leaders Review and The Parker Review, achieving the Board targets set by both. These external commitments reinforce the Group's strategic objective of maintaining strong governance and transparency, providing assurance to stakeholders that the Group is progressing against recognised benchmarks for representation and inclusion. The Nomination Committee received updates on the Group's progress towards both internal and external targets. Further information on the outcomes of the Group's progress made in relation to these initiatives is shown in the following table and on page 48.

» Further details on the Group's initiatives on equality, diversity and inclusion, and progress on achieving the objectives, are located on pages 27 and 48

Nomination Committee report continued

FCA Listing Rule 6.6.6R(9) – diversity reporting

In compliance with FCA Listing Rule 6.6.6R(9) the Company reports the following diversity information as at 31 December 2025:

FCA Listing Rule target	Outcome at 31 December 2025	Additional information
At least 40% of Board Directors are women	Target achieved	44% of Board Directors were women.
At least one senior Board position* held by a woman	Target achieved	Annemarie Durbin was appointed as Senior Independent Director with effect from 1 May 2025. The FTSE Women Leaders target was achieved.
At least one Board Director from a minority ethnic background	Target achieved	The Board contains one Board Director from a minority ethnic background. The Parker Review target was achieved.

* Chairman, Chief Executive, Senior Independent Director or Chief Financial Officer.

No changes have occurred to the composition of the Board between 31 December 2025 and the date this document was approved 9 March 2026.

Gender diversity data at 31 December 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chairman)	Number in executive management**	Percentage of executive management**
Men	5	56%	3	6	60%
Women	4	44%	1	4	40%
Not specified/prefer not to say	0	0%	0	0	0%

** Executive Committee only.

Ethnic diversity data at 31 December 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chairman)	Number in executive management**	Percentage of executive management**
White British or other White (including minority-white groups)	8	89%	4	9	90%
Mixed/Multiple Ethnic Groups	0	0%	0	1	10%
Asian/Asian British	1	11%	0	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%

** Executive Committee only.

Supporting explanation

During the year, the Committee has continued to closely review the composition and diversity of both the Board and the Group's executive management team. The journey to increase diversity within the Board and Group as a whole has remained a focus and whilst progress continues to be made, the Group will continue to work to increase the diversity of its employees.

During the year, the Group participated in the FTSE Women Leaders Review Survey and the Parker Review Survey.

Approach to data collection

The Company has used a consistent approach in collecting the gender and ethnicity data displayed in the tables above, the source of which is the Group's HR Information System.

All employees, including the Board, are asked to provide information regarding their gender and ethnicity when they join the Group. Employees can update their gender and ethnicity details at any time during their employment via the Group's HR Information System. Employees provide the information on a voluntary basis.

For gender data collection, employees can self-identify as either male, female or 'other'.

For ethnicity data collection, employees can self-identify based on the ethnicity categories set out by the Office for National Statistics.

» Further information on the gender balance of the Group, including of direct reports to the Executive Committee and all colleagues can be found in the Strategic Report on page 48

» Information on the Group's gender pay gap can be found in the Remuneration Report

Succession

A key role of the Nomination Committee is succession planning and supporting a diverse pipeline of talent with a focus on ensuring that development, progression and succession planning processes promote diversity, inclusion and equal opportunities across the Group. This featured at each of its meetings during the year. Working with the Chief HR Officer and the Director of Talent and Diversity, the Nomination Committee considered the length of tenure of the Board against the requirements of UK Corporate Governance Code 2024, and reviewed the succession plans for the Board.

Outcome: The Committee's succession planning activities informed the appointment of Annemarie Durbin as the Senior Independent Director. Annemarie Durbin was appointed as Senior Independent Director with from 1 May 2025 following Nigel Mills' retirement from the Board. The Committee remains satisfied that the succession plans in place provide appropriate continuity of leadership and support the Group's strategic priorities.

The Nomination Committee discussed the succession plans for key roles. This included a review of potential internal successors, including their skills and any development needs.

Consideration was given to how the structure of roles may change in the future, for example as a result of artificial intelligence and in line with the Group's agreed strategy. The Nomination Committee noted the importance of considering skills required in the medium and long term when considering succession.

Succession planning for the senior leadership team and wider employee base was reviewed by the Nomination Committee during the year. Updates on the Group's development programmes and activities were provided in meeting papers and via in-person updates by the Chief HR Officer and the Director of Talent and Diversity. The Nomination Committee received various updates during the year, including those on the progress made to enable employees to develop their talent and to gain the skills and expertise to transition to more senior roles. The Nomination Committee noted that the changes were part of a more collaborative culture with greater planning around succession and supporting the development of a diverse pipeline for succession, coupled with support to ensure transition into the next step of careers. Further examples of the Group's talent and succession activities are listed in the adjacent table.

Talent and succession planning activities	Details	Outcomes
Executive training/ education programmes and Executive coaching	Senior leadership development continued during the year via a combination of in-house and specialist external providers. Executive training and education programmes were undertaken by several senior leaders and managing directors. Individual executive coaching and support is also available.	Strong participation from those who took part, reinforcing a culture of knowledge sharing and leadership development, and supporting the diverse talent pipeline.
Leadership Development Programme	The content of the Group's Leadership Development Programme, which is made available to high-performing functional directors, was enhanced to include sessions delivered by Non-Executive Directors, the Chairman, members of the senior leadership team including the Managing Directors, a Regional Chair, the Group Statutory and Regulatory Director, and the CEO.	Four of the participants in the third cohort were promoted whilst on the programme. 46% of the participants from three cohorts have been promoted to date, including a female MD, a female Deputy MD and a female Group Strategic Land Director.
Advanced Management Programme	The Advanced Management Programme targets high performing individuals in junior and middle management roles who have the potential to move into more senior positions.	Of the 159 participants who have completed the Programme to date, 46% have been promoted within the Group, including female leaders in senior roles.
Mentoring	The Group further invested in the personal and professional development of its employees during the year, with the launch of a formal mentoring programme. The mentoring programme pairs individuals across the Group as mentors and mentees to create mutually beneficial relationships. It is open to all employees and was designed to support professional growth and career development, as well as strengthen connections across the Group. Mentoring programmes can also be used as useful tools to offer additional support to a diverse range of talent.	The sessions offer mentees access to aspects of the business which they might not ordinarily see, whilst mentors are given opportunities to improve their communication skills, build and demonstrate leadership skills, as well as contribute to the Group's culture of learning and development. There are currently 52 pairs of mentors and mentees across the Group.
Graduate Scheme	The rotational scheme provides graduates with exposure to all functions in the first year, enabling them to make an informed choice regarding their career pathway.	The scheme is in its fifth year. Earlier cohorts now work across multiple functions. The scheme has strengthened our early talent pipeline, developing diverse young people into future leaders.
Apprentices	We have been instrumental in the design, development and delivery of new apprenticeship standards to ensure our apprentices will gain the transferable skills needed to succeed in a modern Home Building industry. Persimmon apprenticeship programs are widely available to new and existing employees throughout the business from entry level 2-7. School and college leavers are encouraged to join the housebuilding industry by enrolling onto Persimmon apprenticeships in recognised craft trades, technical, and commercial roles. Established in 2024 through a partnership between the Group and Newcastle College, the Persimmon Skills Academy continues to equip apprentices with practical, industry-focused skills, helping to strengthen the link between education and employment.	345 apprentices across the Group supported during 2025. 12.2% of apprentices are female, 2% are from ethnic minorities, and 52% are from areas in the lowest five deciles of social deprivation.

» Further details on the progress and achievements made in talent management and development during the year are located on pages 25 to 27

The Group has set key HR priorities for 2026, to support business growth, enhance employee experience and drive organisational success. These include:

- Building on the success of our leadership programmes, we will continue to identify and develop high-potential leaders. This includes expanding the Advanced Management Programme and Leadership Development Programme to reach more participants and strengthen talent retention.
- Following progress in increasing female and ethnic minority representation, we will enhance data tracking, behavioural frameworks, and targeted recruitment. New network groups and career promotion campaigns will be launched, and coaching initiatives designed to 'lift up' internal talent will continue to run.
- We will promote high-potential talent and support succession plans by embedding a strong mentoring and coaching culture across the organisation.
- Building on strategic workforce planning and partnerships with colleges and training providers, we will place apprenticeships at the heart of our approach. This includes targeted financial support for smaller partners and enhanced in-house support for apprentices.

The Board and Nomination Committee look forward to receiving updates on the progress made toward these priorities during 2026.

Roger Devlin
Chair of the Nomination Committee
9 March 2026

Audit & Risk Committee report

COMMITTEE CHAIR'S STATEMENT

Over the course of 2025, the Committee has focused on driving business resilience, including a proactive approach in overseeing a risk management and internal control evolution.

Paula Bell
Chair of the Audit & Risk Committee

Audit & Risk Committee members and meeting attendance 2025

	Scheduled meetings attended	Percentage of meetings attended
Paula Bell (Committee Chair)	4/4	100%
Andrew Wyllie	4/4	100%
Colette O'Shea	4/4	100%

Key duties of the Audit & Risk Committee

The main role of the Audit & Risk Committee is to support the Board in fulfilling its corporate governance responsibilities. These are detailed fully within the Committee's terms of reference, the key elements of which include:

- monitoring the integrity and accuracy of corporate reporting, including
  - financial reporting
  - key accounting judgements and estimates
  - non-financial reporting
  - ensuring the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable;
- overseeing the quality, independence and effectiveness of external audit provision;
- ensuring the effectiveness of the Group Risk & Internal Audit department in delivering independent and objective assurance; and
- reviewing the effectiveness of the Group's systems of risk management and internal control.

This report details the work of the Committee within the year, and how it has discharged its responsibilities. In performing these duties, the Committee has complied with the requirements of the UK Corporate Governance Code 2024 and adhered to relevant best practice guidance as published by the FRC.

The Committee's main area of focus has been ensuring the integrity and quality of corporate reporting. This has included provision of an effective and high-quality external audit, notably through oversight of a successful audit tender exercise. The Committee has also monitored the effectiveness and independence of the Group Risk & Internal Audit department, and overseen the Group's work to increase maturity in risk management processes and development of its framework of internal controls, the latter in preparation for the enhanced disclosure requirements of Provision 29 of the UK Corporate Governance Code 2024, coming into effect in 2026.

To fulfil its duties, the Committee has worked especially closely with Ernst & Young LLP ('EY') as the Group's external auditor, as well as the Group Finance and Group Risk & Internal Audit departments and other members of the senior management team within the Group. I am grateful for this close cooperation, which has enabled the Committee to ensure the Group has provided clear and accurate financial and non-financial reporting, with appropriate challenge of accounting judgement and estimates, and has operated with effective risk management, internal control and internal audit regimes.

The composition of the Committee has been remained unchanged through 2025, ensuring the broad range of skills and experiences to fulfil its duties effectively has remained in place. Maintaining this continuity has been beneficial, and I am satisfied with the overall performance and effectiveness of the Committee through the year. As detailed further in the Governance Report on pages 98 to 100, the Committee has been subject to an internal performance review within the year. The results of the performance review were discussed by the Committee, with action points taken forward to the Board for consideration.

Areas of focus 2025

Economic and political environment

Persimmon has operated in challenging market conditions throughout 2025. Ongoing domestic and international political uncertainty, continued inflationary pressures and affordability constraints have combined to present a range of complex, interdependent risks and uncertainties to the Group's operations. In this context, while the investments made in the business over recent years have ensured the resilience of the Group, the Committee has been prudent in retaining focus on areas of accounting judgement and estimates. This has included the Group's liquidity, asset carrying values, the appropriateness of the legacy buildings provision and our Viability Statement and going concern assessments. Management has modelled and reviewed each of these areas extensively, with further scrutiny and review through the work of the external auditor. To ensure their appropriateness, the Committee has challenged these assessments and the underlying assumptions on which they are based.

Corporate reporting

Providing oversight of the Group's corporate reporting, including financial and non-financial elements, has remained a key priority for the Committee. Oversight has included reviewing the key controls over financial reporting, such as those involving accounting judgements, ensuring they remain sufficient to support accuracy and integrity in our reporting. The Committee has also reviewed and challenged key aspects of reporting throughout the year, including the Half-Year Report and the 2025 Annual Report, along with the associated regulatory disclosures, such as those outlined by the Task Force on Climate-related Financial Disclosures ('TCFD'). The Committee has reviewed the Group's 2025 Annual Report and has satisfied itself that, taken as a whole, it is fair, balanced and understandable and, as such, provides the necessary information for stakeholders to assess the Group's overall position, performance, business model and strategy.

External audit

The Committee has continued to oversee the provision of external audit services from EY, with the aim of ensuring a high quality of audit while maintaining auditor independence and objectivity. This has included active engagement with EY and management to oversee the audit planning process for the Committee to satisfy itself of the quality and effectiveness of the audit approach. The Committee has successfully maintained a positive relationship with EY, where auditor challenge is actively encouraged and welcomed. Measures to ensure auditor independence and objectivity have been maintained, including the regular private meetings between the audit partner and the Committee, the Group's policy limiting the extent of provision of non-audit services, review of the auditor's independence declarations and periodic rotation of the audit partner. The Committee remains satisfied that EY continues to be independent and objective and that the Group's audit is effective.

Having first engaged EY as external auditor in April 2016, the Group was obliged to tender its audit for 2026. The Committee oversaw, with management's support, a competitive tender process involving three leading audit firms. This included a comprehensive assessment of the merits of each audit firm's proposal, drawing on various measures including FRC Audit Quality Review reports, and several stages of review ahead of final presentations. On completion of this tender process, the Committee recommended to the Board that EY be reappointed as auditor for 2026.

Internal audit

The Committee has overseen the work of the Group Risk & Internal Audit department, engaging closely with the Director of Internal Audit, including regular private sessions. This oversight has included approving the department's Charter and the risk-based audit plan, which continues to include focus on construction and health, safety and environment audits in addition to the well-established core audit plan. Reporting from Group Risk & Internal Audit has been reviewed at each meeting of the Committee, including findings from each audit engagement and updates on management's response in addressing these. The Committee has completed its formal assessment on the overall provision of internal audit, and remains satisfied of its continued effectiveness and independence.

Risk management and internal control

In line with our well-established annual process, conducted on behalf of the Board, the Committee reviewed the Group's risk management and internal control arrangements, with reporting on both matters provided to each meeting of the Committee. This included discussions on principal and emerging risks (detailed further on pages 70 to 76), and the effectiveness of our internal controls in mitigating their impact. The Committee has engaged with outputs from the Management Risk Committee, and reviewed and approved a new risk management strategy, including an expansion of resource into the Group Risk & Internal Audit department, supporting the Group's progress in enhancing maturity in this area. The Committee has also monitored progress of the plan to prepare for the enhanced disclosure requirements of Provision 29 of the UK Corporate Governance Code, including updates from management on the process taken to identify the Group's material controls and to ensure these are both designed and operating effectively. These measures will support the Group in becoming more resilient, while also driving process improvements. Both the Board and the Committee have also been mindful through the year of the Group's potential exposure to cyber security and data risks, and the importance of maintaining strong controls and resilience measures. Management has updated the Committee on the continued strengthening of the Group's cyber and data controls and will continue to do so through 2026.

Anticipated areas of focus for 2026

The Committee has had a particularly busy 2025, delivering on all aspects of the responsibilities outlined within its terms of reference. Highlights, as noted above, have included the successful conclusion of the audit tender process and overseeing the continued progress in strengthening the Group's systems of risk management and internal control.

It is expected that the core areas of focus for the Committee will remain largely unchanged in 2026. There will be an enhanced focus on business resilience, including the maintenance of robust cyber controls supported by appropriate business continuity arrangements. Similarly, the Group's progress in enhancing the maturity of its approach to risk management, and its preparations to ensure readiness for the additional requirements of Provision 29, will continue to be areas of focus. The Committee will also remain mindful of ongoing economic uncertainty and an evolving, increasingly complex risk environment, and will continue to support the Group as it navigates these challenges to deliver on its strategy.

Paula Bell
Chair of the Audit & Risk Committee
9 March 2026

Audit & Risk Committee report continued

Activities of the Committee in 2025

In alignment to the Group's financial reporting calendar, the Committee has a well-established annual cycle of activities. These collectively ensure the appropriate and timely oversight for each of the key areas of responsibility for the Committee. The annual cycle is finalised in the Committee's March meeting, with the review of all year end reporting matters, including the assessment of areas of significant financial judgements, review of viability and going concern disclosures, and the assessment of the draft Annual Report and Accounts to ensure it is fair, balanced and understandable. The key activities in each of the areas of Committee focus are set out below, with links to the Group's strategic priorities.

Key priorities

1 Build quality and safety 2 Customers at the heart of our business 3 Disciplined growth: high-quality land investment 4 Industry-leading financial performance 5 Supporting sustainable communities

Areas of Audit & Risk Committee focus		Link to strategic priorities				
		1	2	3	4	5
Corporate reporting	Review of 2025 Annual Report as fair, balanced and understandable	●	●	●	●	●
	Review of draft full-year results, including viability and going concern assessments	●	●	●	●	●
	Review of draft TCFD reporting for the Annual Report					●
	Half-Year Statement review, including going concern assessment	●	●	●	●	●
	Review of significant financial judgements and issues	●		●	●	
External audit	Independence review					
	Fee structure review and approval					
	Audit plan finalised and agreed					
	Review of External Audit Report on half-year and full-year audit					
	Review of proposal to appoint external auditor for assurance on carbon emissions reporting					●
	Private meeting with the Committee members					
	Review of external auditor performance					
	Review of audit tender 2025 plan	●				
	Review of audit tender responses and recommendation on appointment					

Areas of Audit & Risk Committee focus		Link to strategic priorities				
		1	2	3	4	5
Internal audit	Review of the report of Group Risk & Internal Audit	●	●	●	●	●
	Review and approval of Group's Internal Audit Charter					
	Update on changes to Global Internal Audit Standards					
	Private meeting with the Director of Internal Audit					
	Formal review of Group Risk & Internal Audit independence and effectiveness					
	Approval of the 2026 annual Internal Audit Plan, resourcing and development plans	●	●	●	●	●
Risk management and internal control	Review of the overall effectiveness of risk management and internal controls	●	●	●	●	●
	Risk management and internal control updates, including Provision 29 readiness assessment	●	●	●	●	●
	Tax Status Report	●				
	Review of the Group's anti-money laundering controls					
	Review of the Group's draft Artificial Intelligence (AI) Policy					
	Legacy Buildings Progress Report	●				
	Update on principal and emerging risks	●	●	●	●	●
	Business resilience: Cyber security update from Group Chief Information Security Officer (CISO)		●			
	Business resilience: Update on Business Continuity Plans	●	●	●	●	●
Committee governance	Review of Committee terms of reference					
	Review of Committee evaluation results					
	Review of Committee plans for 2026					

Priorities and main areas of activity during the year

1 Corporate reporting

Significant financial judgements and issues reviewed in the financial year

The Committee has assessed the most significant financial judgements and issues affecting the Group's financial statements for 2025. These are outlined below:

Area of judgement	Key accounting policies, judgements and key sources of estimation uncertainty	Factors considered by the Committee and outcome	Disclosure in the Group's financial statements
Revenue recognition	Revenue recognition could be subject to misstatement in the event of cut-off errors or potential management bias. This could adversely affect the Income Statement.	The accounting treatment for revenue recognition is well established, being directly linked to cash receipts for most private sales and dictated by contractual terms for sales to affordable providers. External audit procedures include assessment on the accuracy of revenue and cut-off controls through use of data analytics tools, enabling tracing of recorded sales through to cash receipts and legal completion statements. Revenue from housing association sales is also assessed based on the terms of the relevant contracts. **Outcome:** Having reviewed the management controls over revenue recognition, and considered the assurance provided by the external auditor, the Committee is satisfied that the Group's revenues are reported accurately.	The analysis of total Group revenues is detailed further within note 5 to the financial statements.
Inventory valuation and profit recognition	The carrying value of land and work in progress could be subject to impairment in the event that underlying estimates, such as those on market conditions and anticipated selling prices, prove to be inaccurate, or if market conditions were to deteriorate significantly.	The Committee has retained its close focus on understanding and challenging management's processes for monitoring land and work in progress valuations and profit recognition. Valuation processes are routinely tested by Group Risk & Internal Audit and reported to the Committee. There is also extensive external audit testing on inventory valuation through a range of procedures such as assessments of margin evolutions and historic margin forecasting accuracy, sensitivity analysis on low margin sites and a review of impairment risk on a sample of sites. These procedures are set out in detail in the Independent Auditor's Report on page 146. **Outcome:** Having reviewed the Group's inventory valuation and profit recognition controls, and the various sources of assurance on their effective operation, the Committee has concluded that the net realisable value of the Group's land and work in progress as held at 31 December 2025 was appropriate.	Further detail is set out within notes 3 and 19 to the financial statements.
Legacy buildings provision	The value of this provision could prove to be inaccurate if further legacy buildings were identified or brought within the scope of remediation. Cost forecasts that inform the value of the provision could also prove inaccurate as the remediation works are contracted and delivered.	The Committee received routine and comprehensive reports from management on the status of work on legacy buildings. This has included updates on the scope of affected buildings, the current and anticipated future cost of meeting the Group's obligations, and the basis on which the provision has been utilised, treated and disclosed within the financial statements. The Group Risk & Internal Audit department has assessed processes and controls within the Special Projects team managing the remediation works and has reported its conclusions to the Committee. The external auditor has also assessed the Group's key processes and controls in relation to legacy buildings, including the basis for the scope of buildings covered by the provision. Movements in management's provision schedule have been assessed, and testing performed on expenditure to tie back to third-party evidence. Further detail is provided in the Independent Auditor's Report on page 146. **Outcome:** As a result of its review and challenge of management reporting, and its assessment of Group Risk & Internal Audit department's conclusions and external audit procedures, the Committee is satisfied that the carrying value of the provision is appropriate.	Further detail of the approach taken on legacy buildings is set out within note 23 to the financial statements.
Management override of controls	Accounting estimates reliant upon judgements could be subject to manipulation in order to impact the financial statements.	Manual journals posted to significant risk areas were subject to testing to confirm the appropriate accounting treatment. The year on year movements in judgemental accruals were also assessed to identify accounting impact. **Outcome:** The Committee has assessed both the Group's existing control environment and management's plans to improve controls further, including enhanced automation to reduce the frequency of manual accounting entries. The Committee has also taken further assurance from the additional testing performed in this area in 2025, through both the Group Risk & Internal Audit department and external audit.	
Other non-underlying items and exceptional transactions	The treatment and valuation of acquisitions and disposals, or other non-routine transactions may involve elements of judgement.	The Committee has received reports from management on all non-routine transactions within the year, including the disposal of FibreNest, the acquisition of Lone Star Land and the treatment of costs relating to other ongoing projects or areas of potential uncertainty. In each case, feedback on the procedures performed by external audit has also been considered. **Outcome:** From its challenge of management's presentations and review of the procedures performed by the external auditor, the Committee has satisfied itself that accounting treatments and reporting on these matters are appropriate.	Further detail on exceptional transactions is set out within notes 6 (project fees and FibreNest disposal) and 7 (Lone Star Land acquisition).

Audit & Risk Committee report continued

Priorities and main areas of activity during the year continued

1 Corporate reporting continued

Going concern and viability

The Committee has reviewed the assessment and conclusion of management that the Group continues to be a going concern and that the financial statements should be prepared on a going concern basis. This has included detailed review of the Group's current financial position and factors that including market conditions and access to funding facilities, as well as the review of the conclusions of the external auditor (as outlined in the Independent Auditor's Report on pages 144 and 145).

The Group's Viability Statement, which is detailed further on pages 77 to 79, has also been subject to review and challenge by the Committee. The assessment of viability is based upon a range of comprehensive stress testing scenarios, each of which focuses on the potential impact of severe disruption in the market for new homes over the short to medium term. The basis of these scenarios, which assume substantial reductions in sales over a relatively short period, compounded by reduced average selling prices and impairments of asset values, has been reviewed and challenged by the Committee.

Outcome: The Committee has concluded that there was a sound basis to provide the going concern and viability confirmations in this Annual Report and has made recommendations to the Board to this effect.

Fair, balanced and understandable assessment

A draft version of the Group's 2025 Annual Report was reviewed at the Committee's meeting in March 2026 and, at the request of the Board, assessed to determine whether taken as a whole, it was fair, balanced and understandable. This included a review as to whether the Annual Report provided the necessary information to enable shareholders to assess the Group's overall position, performance, business model and strategy. The assessment considered a broad range of information, including the routine reporting it receives from the Group Finance function, senior management, the external auditor and the Group Risk & Internal Audit department.

It has also assessed the underlying accounting policies and processes governing financial reporting, and the feedback and assurances from both operational teams and external advisors concerning quality of information and adherence to requirements under the Companies Act, the UK Corporate Governance Code 2018, Listing Rules and other relevant reporting regulations.

Outcome: The Committee has concluded that it considers the 2025 Annual Report to be fair, balanced and understandable, and that it both accurately reflects the performance and position of the Group and meets the required expectations of shareholders.

2 External audit

The Committee has primary responsibility for overseeing the relationship with EY as the Group's external auditor. This includes reviewing EY's areas of focus, assessing their performance, effectiveness and independence, and making recommendations to the Board on reappointment or replacement. Oversight of the Group's external audit provision has been conducted with reference to the FRC's 'Audit Committees and the External Audit: Minimum Standard', key elements of which are built into the Committee's terms of reference. Further detail on the main aspects of the oversight activities is outlined below.

Key areas of focus and challenge

The Committee has engaged closely with the external auditor throughout the year. Reports from EY were provided ahead of each meeting, including a final report and presentation of the 2025 audit results for the Committee's meeting in March 2026. The Committee has reviewed these reports and provided constructive challenge through the year, with particular focus on the significant financial judgements outlined above, and risk areas such as management override of controls, impairment of goodwill and intangible assets, share-based payments, the closed sites provision and valuation of the Group's defined benefit pension scheme obligations. The Committee has also considered the approach taken in EY's assessment of the Group as a going concern, the evaluation of the Viability Statement and EY's requirements as auditor to address the Board's application of the UK Corporate Governance Code 2024 (see Independent Auditor's Report on page 149).

Outcome: The Committee has satisfied itself that EY's areas of focus remain appropriate, and the challenge provided in these was sufficient to support a quality audit in the interests of all stakeholders.

Performance and effectiveness

The provision of a high-quality and effective external audit continues to be a key area of focus for the Committee. External auditor performance is assessed through a range of measures. These include assessing the delivery of the agreed audit plan, the quality of audit reporting (particularly in respect of key accounting judgements and estimates), demonstration of appropriate auditor scepticism and challenge, and outputs from the private meetings with the audit partner.

Internal stakeholders also provide the Committee with feedback on auditor performance, gathered through a comprehensive survey of those involved with the audit process, conducted shortly after the conclusion of the audit. This gathers input on several measures in line with FRC guidance, such as the mindset, culture, skills and knowledge of the External Audit team, as well as feedback on the efficiency and depth of the audit process. The results of the survey are consolidated and summarised for the Committee's review at a private session without the External Audit team being present.

Outcome: The Committee concluded that EY's had performed its audit and related services effectively, efficiently and to a high quality.

Independence and fees

The Committee monitors the independence and objectivity of the external auditor and lead partner on an ongoing basis, with a formal review completed annually. The approach to assessing auditor independence and objectivity has remained consistent with prior years, and includes a range of measures including the following:

- **Audit partner rotation:** The lead audit partner is Victoria Venning, who has held the role since April 2021. The policy of the Group requires rotation of the audit partner at least every five years. As such, and following a tender of the external audit provision (see below), Victoria will be replaced as lead audit partner by Kevin Weston for the 2026 audit.
- **Auditor independence declarations:** Detailed independence confirmations are provided by the external auditor, prepared in line with the provisions of the FRC Ethical Standard and ISA (UK) 260 (Communication of audit matters with those charged with governance). This confirmation is formally reported to, and subject to the review and approval of the Committee.
- **Private meetings with external audit:** The Committee has regular scheduled private meetings with the EY team, in which confirmation is sought that it has not been subject to any restriction in scope, access to materials or individuals, or any other hindrance.
- **Non-audit services:** The Group has a defined policy on provision of non-audit services by the external auditor. This policy restricts the nature of the works that the external auditor may perform, requires Committee pre-approval for non-audit services, and caps the aggregate amount of fees payable to the auditor for such services to a maximum of 70% of the average of audit fees in the prior three years. The terms of the policy provide a comprehensive safeguard over the independence and objectivity of the auditor, both in fact and appearance. Within 2025, the non-audit services provided by EY included audit related fees of £96,000 for their work on their review of the Group's 2025 Half-Year Report. EY also received payments of £74,000 and £5,000 for assurance work on carbon emission reporting and for the audit of the 2024 annual report of the Persimmon Charitable Foundation respectively. The fee paid to EY for its audit work for the 2025 financial year was £837,217. This has resulted in a ratio of audit fees to non-audit fees for the year of 4.8:1.

Outcome: The Committee remains satisfied that the various safeguards on auditor independence have operated effectively in the year, with non-audit services provided being insufficiently material to affect independence. As such, the Committee continues to consider that EY, and Victoria Venning as current lead audit partner, remain both independent and objective.

External audit tender

EY was first appointed as the Group's auditor in April 2016, following a competitive tender exercise involving three leading audit firms. At the recommendation of the Committee, and to adhere to the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014, an external audit tender process was undertaken within 2025 ahead of the full-year audit for 2026. The tender process was led by the Committee with management support, following guidance set out by the FRC in its 'Audit Committees and the External Audit: Minimum Standard' document. The tender exercise involved a shortlist of four leading audit firms, of which three proceeded to bid, including one challenger firm. Robust processes were followed to assess the merits of each prospective audit firm and their proposal, with a range of measures considered including audit quality (with reference to each firm's most recent FRC Audit Quality Review reports), potential conflicts of interest and independence checks, resourcing, and identification of key individuals with the appropriate skills and experience to act as potential lead partners. The detailed criteria for assessing success in each of these measures were agreed by the Committee ahead of the tender process. The process involved multiple stages, all overseen by the Committee, enabling the prospective audit firms to gain an understanding of the business and develop their detailed proposals. Formal presentations of the final proposals were then made to the Committee, which reviewed them in detail against the agreed criteria, before making the recommendation on auditor appointment to the Board.

Outcome: Following its review of the tender process, the Committee made its recommendation on auditor appointment for 2026 to the Board. The recommendation comprised a preferred audit firm and an alternative firm. After careful thought and consideration, the Board has agreed to propose the reappointment of EY as the Group's external auditor at the AGM to be held in April 2026.

3 Internal audit

The Group Risk & Internal Audit department plays a key role in the provision of independent and objective assurance to the Board, acting as a 'third line' function. The Committee reviews and approves the department's role, mandate and independence as set out in its formal Charter, which is aligned with the Global Internal Audit Standards. Independence of the department is maintained by a combination of measures, including the Director of Internal Audit's joint reporting line to the Group CFO and Chair of the Committee and regular private sessions with the Committee and Director of Internal Audit. As the Director of Internal Audit has been in post for over seven years, the Committee has also formally assessed and confirmed the continued independence of this role, in line with the requirements of the Chartered Institute of Internal Auditor's Internal Audit Code of Practice.

An annual Internal Audit Plan is developed by the Director of Internal Audit, based on a range of considerations such as principal risk coverage, standing items, management requests and entity coverage. This plan is then subject to various stages of management review, including consultation with our co-source internal audit providers, before being presented to the Committee for final review and approval. The 2025 plan has maintained discrete areas of audit activity, with separate plans for construction and health, safety and environmental ('HS&E') matters in addition to the core audit activities on other areas of the business, which included cyber risk, modern slavery, sustainability and treasury processes.

Over the course of the year, the Committee reviewed routine reports from the Director of Internal Audit, who attends all meetings of the Committee. These included detailed reporting on the results and findings of all completed internal audits, progress against the Audit Plan, the follow-up status of agreed actions and various audit KPIs and improvement plans.

The Group Risk & Internal Audit department satisfactorily delivered on the agreed Audit Plan for 2025, subject to some work being deferred or revised to accommodate additional requests from Board and management at various points through the year.

Looking ahead, the department's 2026 plan has been reviewed and approved by the Committee. The plan has been further developed to build on the 2025 approach of operating company controls reviews, along with a small number of thematic audits.

The Committee also reviews and approves the Group Risk & Internal Audit department's resourcing. Within 2025 this has included a reshaping of the department to new roles for a risk management specialist to support the Group's risk management strategy and a graduate position.

Outcome: The Committee has approved the Group Risk & Internal Audit department's Charter and Audit Plan and has considered its reports and management's response to audit findings and actions. Having carried out the oversight duties required by the UK Corporate Governance Code and under the Committee's terms of reference, the Committee is satisfied that the Group Risk & Internal Audit department has delivered high-quality assurance activities, remains adequately resourced and continues to be both independent and effective.

4 Risk management and internal control

The Group's systems of risk management and internal control have been an area of growing focus for the Committee. Work in this area has included a range of matters as outlined below:

Risk management and the assessment of principal and emerging risks

The Committee received routine updates on the status of the principal and emerging risks facing the Group, including commentary on trends and proposed changes to the risks as assessed by the Group's Management Risk Committee ('MRC'). At the Committee's December meeting, a final assessment of the principal and emerging risks was presented by management for approval.

Beyond the Group's principal and emerging risks, a range of other material and operational risks have been identified. These risks are subject to routine monitoring to ensure they are accurately assessed, and that appropriate mitigation measures are established. Within 2025, the Committee has overseen several improvements to the Group's overall risk management framework, as led by the MRC. In addition, the Committee has approved the Group's updated risk management strategy, and overseen the provision of additional specialist resource within the Group Risk & Internal Audit department to deliver the improvements this sets out, under the supervision of the Director of Internal Audit. The measures, and the Group's broader approach to managing risk are detailed further on pages 70 to 72.

Outcome: The Committee has challenged and ultimately agreed management's assessment of the principal and emerging risks facing the Group. The Committee has also approved the Group's risk management strategy and resourcing, and the actions planned to strengthen overall risk management maturity.

Internal control

The Group continues to operate systems of internal control aligned with the 'three lines' model as detailed further on pages 70 to 76. Many aspects of the control environment are well established; however, it remains subject to continuous improvement, driven both by management action and recommendations from second line functions and the Group Risk & Internal Audit department. Over the course of 2025, this included particular focus on the Group's resilience to cyber risk (see below) and evolving areas of legal and regulatory change, such as the requirements under the Economic Crime and Corporate Transparency Act 2023 ('ECCTA').

The Committee has been apprised of the enhanced focus on internal controls and disclosure requirements set out in Provision 29 of the UK Corporate Governance Code 2024, which take effect from January 2026. Updates on management's action plans to ensure preparedness with the provision, and to strengthen controls more generally, have been a standing item of business for the Committee throughout the year.

Audit & Risk Committee report continued

Priorities and main areas of activity during the year continued

4 Risk management and internal control continued

Internal control continued

This has included reviewing management's proposed criteria for defining 'material controls', which primarily link to the Group's principal risks but also extend to other financial, operational and compliance controls. An interim listing of the material controls, and the methodology to be employed to assess their design and operational effectiveness going forward, has also been assessed. An externally led review of the Group's preparations was presented to the Committee, confirming their appropriateness and supporting the delivery of further control improvements. This will continue to be an area of regular engagement from the Committee within 2026.

Outcome: The Committee has reviewed and approved the Group's approach to maintaining an effective system of internal controls, including management's plans to ensure preparedness for the enhanced future reporting requirements under Provision 29.

Business resilience: oversight of cyber and data risk and key business processes

Over the course of 2025, cyber and data risks have continued to evolve with several high-profile attacks on UK businesses having taken place. In this context, the Committee has retained its focus on the Group's ongoing work to ensure an appropriately robust control environment. This has included receiving regular reporting from the Group's Chief Information Officer ('CIO') and Chief Information Security Officer ('CISO'), including on the attainment of the Cyber Essentials Plus certification and in coordinating the response to the UK Government's letter to major businesses on 'making cyber security a board responsibility'. The Committee has also reviewed internal audit reports on IT and cyber risk.

The Committee has received regular updates on the Group's improvements in business continuity planning, including scenario tests overseen by the MRC, and development of manual and offline fallback processes. These measures aim to ensure the resilience and continuity of key processes in the event of a cyber attack or other material disruption to operations.

The Committee has also considered management's approach to Artificial Intelligence ('AI'), including review of the Group's draft policy on AI. This has recognised the transformative potential of AI for some business processes, but noted the importance of establishing appropriate safeguards around its deployment.

The Committee has also received reports from other specialists within the Group on the evolution of controls in their areas of responsibility. Through 2025, this has included reports on the Group's anti-money laundering controls, the progress and status of work on fire safety remediation, and the Group's tax processes and controls.

Outcome: The Committee has reviewed the Group's cyber and data risk posture and plans for their continued enhancement, as well as the Group's plans for the deployment of AI, and is satisfied that these are appropriate. Management reporting on other key processes and controls has also been considered by the Committee, and assessed as suitable to mitigate the associated risks.

Whistleblowing

In line with the requirements of the UK Corporate Governance Code 2024, the Group has an established whistleblowing provision, which enables any member of the workforce to raise concerns, anonymously if necessary, and through a range of media available at all times. The Chair of the Audit & Risk Committee is the formally appointed Whistleblowing Champion for the Group, acting as an overall sponsor and supporting awareness of whistleblowing issues. Operationally, the Group Risk & Internal Audit department manages the whistleblowing process as an independent function, providing the Committee with details of all whistleblowing reports received, along with results of investigations and any actions arising, and key information on any themes or trends to the reports. The Group has continued to benefit from its partnership with the whistleblowing charity, Protect. Through this partnership, a benchmarking of the Group's whistleblowing provision was carried out, confirming its ongoing alignment with good practice guidance.

Outcome: The Committee has reviewed the Group's whistleblowing provision and remains satisfied that it is both appropriate and effective. Where whistleblowing investigations have identified issues of misconduct, or areas of control weakness, the Committee has been reviewed and approved the resulting recommendations and management action plans.

Reviewing the overall effectiveness of risk management and internal control

A key priority for the Committee was to assess the effectiveness of the Group's systems of risk management and internal control. The Committee has well-established processes in place to review these on both a routine, continuous basis, and with a formal annual assessment.

The routine assessment is conducted through the Committee's review of various reporting on risk management and internal control. At each meeting, the Committee receives updates on both risk management (including evolution of the Group's principal and emerging risks and other key updates from the MRC) and internal control (with a standing item to update on the enhancements to the Group's control environment and preparations for the implementation of Provision 29). As noted elsewhere in this report, the Committee is also regularly apprised of progress on the management of specific risk issues, such as cyber, anti-money laundering and legacy building remediation plans. Assurance work is also provided, principally through the work of the Group Risk & Internal Audit department, but also the control testing performed by external audit.

On an annual basis, on behalf of the Board, the Committee performs a formal assessment of risk management and internal control. This is informed by the reviewed of an independent summary produced by the Director of Internal Audit, which draws upon FRC guidance, an analysis of audit findings through the year, assurance activities on principal risks, and feedback obtained from formal representations made by the senior management and Finance teams on the commitment to Group control requirements.

Outcome: The Committee assessed the effectiveness of the Group's systems of risk management and internal control systems, and is content that no significant failings have been identified throughout the year. The Committee has also reviewed the regular updates from management on workstreams to improve the formalism and effectiveness of internal controls ahead of the implementation of Provision 29 requirements in 2026.

5 Committee governance

The Committee maintains robust processes to ensure that its Terms of Reference are reflective of legal and regulatory requirements and general good practice, and that the business of the Committee meets the requirements set out within them. Within 2025, the Terms of Reference were subject to minor amends only, reflecting the interaction of the Committee with the MRC, particularly in respect of reporting on risk and internal control matters. The Committee also reviewed the proposed outline agenda plan for 2026, ensuring this satisfied the responsibilities within the Terms of Reference.

To ensure ongoing good governance and continuous improvement, members of the Committee undertook an internal performance review, which utilised BoardClic, a digital Board evaluation platform, through the completion of a questionnaire. The results of the performance review were discussed by the Committee, with reference to a benchmark of other UK listed companies, with action points taken forward to the Board for consideration.

Outcome: The Committee has reviewed and approved minor changes to its Terms of Reference and the outline agenda plan for 2026. Committee performance reviews have been conducted and necessary actions taken forward for Board approval.

Other disclosures

Persimmon Plc (the 'Company') is the holding company of the Persimmon Group of companies (the 'Group') and is a public company listed in the UK and traded on the London Stock Exchange.

The Group's main trading companies are Persimmon Homes Limited and Charles Church Developments Limited. The Group trades under the brand names of Persimmon Homes, Charles Church, Westbury Partnerships and Space4.

The subsidiary undertakings which principally affect the profits and assets of the Group are listed in note 33 to the financial statements. A complete list of the Company's subsidiaries and residents' management companies under its control is contained on pages 182 to 195.

Strategic report

The management report for the purposes of the Disclosure Guidance and Transparency Rule 4.1.8.R is included in the Strategic Report on pages 1 to 79 and in the Directors' Report on pages 80 to 143. A description of the Group's future prospects, research and development, the principal risks and uncertainties facing the business and important events affecting the Group since 31 December 2025 are contained within the Strategic Report. Details of the financial risk management objectives and policies of the Group and associated risk exposure are given in note 24 to the financial statements.

The Board has taken advantage of s.414C(11) of the Companies Act 2006 to include disclosures in the Strategic Report including: the principal risks and uncertainties, future development, performance and position of the Group; the financial position of the Group, greenhouse gas emissions, R&D activities, and engagement with employees, customers, suppliers and other stakeholders.

Results and return of cash

The Group's revenue for 2025 was £3,751.3m and its consolidated profit before taxation was £397.3m.

The Company may by ordinary resolution declare dividends not exceeding the amount recommended by Directors subject to statute. The Directors may pay interim dividends and any fixed rate dividend whenever the financial position of the Company, in the opinion of the Directors, justifies its payment (and subject to regulations).

All dividends and interest shall be paid (subject to any lien of the Company) to those members whose names are on the register of members on the record date, notwithstanding any subsequent transfer or transmission of shares.

The Board has recommended the payment of a final dividend of 40p per ordinary share for the year ended 31 December 2025, to be paid on 10 July 2026 to shareholders on the register on 19 June 2026, following shareholder approval at the AGM. This is in addition to the interim dividend of 20p per share, paid on 7 November 2025, to give a total dividend per share of 60p in respect of the 2025 financial year.

Going concern

After completing a full review, the Directors have satisfied themselves that the going concern basis for the preparation of the accounts continues to be appropriate and there are no material uncertainties to the Group's and Company's ability to continue in operation and meet its liabilities for the period up to 30 June 2027.

» Further details are provided in note 2 to the Financial Statements

Directors and Directors' interests

The current Directors of the Company and their biographical details are shown on pages 86 and 87. Information on the Executive Directors' service contracts and the Non-Executive Directors' letters of appointment are given in the Remuneration Report on page 135. All of the Directors served for the whole of the year, with the exception of Nigel Mills, who left the Board on 1 May 2025. 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 Remuneration Report on page 137. Details of the interests of the Executive Directors in share options and awards of shares can be found on page 136 within the same report.

Appointment and replacement of Directors

The Directors shall be no less than two and no more than fifteen in number. Directors may be appointed by the Company by ordinary resolution or by the Board of Directors. A Director appointed by the Board of Directors holds office until the next following AGM and is then eligible for election by the shareholders. The Company may by special resolution remove any Director before the expiration of their term of office.

In accordance with the UK Corporate Governance Code 2024 the Board has determined that all Directors will be subject to annual re-election by shareholders. The Company's Articles of Association (the 'Articles') provide that at each AGM at least one third of the Directors shall retire from office and shall be eligible for reappointment and therefore each Director shall retire from office and shall be eligible for reappointment at the AGM held in the third year following their last reappointment.

Powers of the Directors

The business of the Company shall be managed by the Directors who may exercise all powers of the Company, subject to the Articles, the Companies Act 2006 and any directions given in general meetings. In particular, the Directors may exercise all the powers of the Company to borrow money, issue and buy back shares with the authority of shareholders, appoint and remove Directors and recommend and declare dividends.

Capital structure

The following description summarises certain provisions of the Articles and the Companies Act 2006. This is only a summary and the relevant provisions of the Companies Act 2006 and the Articles should be consulted if further information is required. A copy of the Articles may be obtained by writing to the Company Secretary at the registered office.

Amendments to the Articles of the Company may be made by way of special resolution in accordance with the provisions of the Companies Act 2006.

Share capital

The Company has one class of share in issue, being ordinary shares with a nominal value of 10p each, which carry no right to fixed income. During 2025, 766,258 ordinary shares were issued with a nominal value of £76,626 to employees exercising share options. The Company received consideration of £2,424,306 for options exercised under the Group's savings-related share option scheme. At 31 December 2025, the issued share capital of the Company was 320,681,126 ordinary shares with a nominal value of £32,068,113. At 9 March 2026 the issued share capital of the Company was 320,748,345 ordinary shares with a nominal value of £32,074,835. Further details are provided in note 26 to the financial statements.

Other disclosures continued

Share capital continued

Shares may be issued with such preferred, deferred or other rights or restrictions, whether in regard to dividend, return of capital, or voting or otherwise, as the Company may from time to time by ordinary resolution determine (or failing such determination as the Directors may decide), subject to the provisions of the Companies Act 2006 and other shareholders' rights.

There are no securities carrying special rights with regard to control of the Company.

The Directors may allot, grant options over, or otherwise dispose of shares in the Company to such persons (including the Directors themselves) at such times and on such terms as the Directors may think proper, subject to the Articles, the Companies Act 2006 and shareholders' rights. At the AGM held on 1 May 2025 shareholders gave Directors authority to allot ordinary shares up to a maximum nominal amount of £10,663,951, representing approximately one third of the Company's issued share capital as at 11 March 2025. Shareholders also gave Directors authority to disapply pre-emption rights on the issue of shares up to 10% of the issued share capital, being an aggregate nominal amount of £3,199,185. Plus the additional power to disapply pre-emption rights on the issue of shares up to a further 2% of the issued share capital, with such power to be used only for the purposes of making a follow-on offer. In addition, shareholders gave Directors authority to disapply pre-emption rights on the issue of shares up to further 10% of the issued share capital, being an aggregate nominal amount of £3,199,185, in connection with an acquisition or specified capital investment, with the additional power to disapply pre-emption rights on the issue of shares up to a further 2% of the issued share capital, with such power to be used only for the purposes of making a follow-on offer. These authorities, which are consistent with the Pre-Emption Group's 2022 Statement of Principles on Disapplying Pre-emption Rights, will expire at the conclusion of the AGM on 30 April 2026. Resolutions to renew these authorities will be put to shareholders at the forthcoming AGM.

Votes of members

All issued shares in the Company are fully paid and there are no restrictions on voting rights. Votes may be exercised in person, by proxy, or in relation to corporate members by a corporate representative. The deadline for delivering either written or electronic proxy forms is not less than 48 hours before the time for holding the meeting.

To attend and vote at a meeting a shareholder must be entered on the register of members at a time that is not more than 48 hours before the time of the meeting, calculated using business days only.

On a vote on a poll, each member present in person or by proxy or by duly authorised representative has one vote for each share held by the member. On a vote on a show of hands, each member being an individual present in person or a duly authorised representative of a corporation has one vote. Each proxy present in person who has been appointed by one member entitled to vote on a resolution has one vote. If a proxy has been appointed by more than one member and has been given the same voting instructions by those members, the proxy has one vote.

If the proxy has been appointed by more than one member and has been given conflicting instructions, or instructions to vote for or against by one member and discretion by another, the proxy has one vote for and one vote against a resolution.

Details of employee share schemes are set out in note 31 of the financial statements. The Trustee of the Persimmon Employee Benefit Trust may vote or abstain on shareholder resolutions as it sees fit.

Transfer of shares

There are no restrictions on the transfer of securities in the Company. Any member may transfer their shares in writing in any usual or common form or in any other form acceptable to the Directors and permitted by the Companies Act 2006 and the UK Listing Authority. The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of shares or that may result in restrictions on voting rights.

Qualifying third-party indemnity provisions and qualifying pension scheme indemnity provisions

The Company has granted an indemnity in favour of its Directors and former Directors, against liability that they may incur in the course of performing their duties as Directors of the Company. The indemnity has been put in place in accordance with section 234 of the Companies Act 2006 and remained in force on the date of approval of this report. Prior to granting the indemnity, appropriate legal advice was sought by the Company.

The Company has not issued any qualifying pension scheme indemnity provision.

Change of control provisions

One significant agreement contains provisions entitling counterparties to exercise termination or other rights in the event of a change of control of the Company. Under the £750m Revolving Credit Facility dated 6 July 2023 (as amended 26 January 2026) and the £250m Fixed Term Facility dated 26 January 2026, both as disclosed in note 24 of the financial statements, all amounts become due and payable under the terms of the facility if any person or group of persons acting in concert gains control of the Company.

Emissions

The Group's greenhouse gas emissions are set out in the Strategic Report on page 39.

Employee involvement

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them and on various financial and economic factors affecting the performance of the Group. The Group has introduced regular online communications to employees to keep them updated, with a wide range of content including updates on the Group's operations and financial performance, announcements about new initiatives and introductions to key colleagues. In addition, the Group has introduced divisional communications, enabling the Regional Chairs to speak to their teams via quarterly updates. These, together with a number of functional webinars, for example, a quarterly site managers' webinar, mean that we are connecting senior leaders directly with employees and giving them the opportunity to ask questions and receive real-time responses.

As mentioned on pages 53 and 92 of this report, the Group has an Employee Engagement Panel ('EEP'), meetings of which are regularly attended by our designated Workforce Non-Executive Director. This allows employees to receive information on Board activities and to ask questions. The designated Workforce Non-Executive Director gives updates on the Employee Engagement Panel to the Board. In addition, the Remuneration Committee Chair and the Chairman of the Board regularly attend meetings of the EEP.

The Group's Diversity & Inclusion Working Group, along with our employee-led communities including Persimmon Pride, the Women's Network, the Carers' Community, and the Religion & Culture Working Group, are part of our commitment to employee engagement, diversity, and corporate governance best practice. The Company regularly updates its employment policies, to which all employees have online access through the HR Information System, to keep them up-to-date with information relating to their employment.

» Further details of how we engage with our employees are set out on page 53

The Company makes various benefit schemes available to employees, including a savings-related share option scheme which encourages the awareness and involvement of employees in the Group's performance. All employees are encouraged to participate.

Equal opportunities

Persimmon is an equal opportunities employer. We are committed to equality, diversity and inclusion among our workforce and eliminating unlawful discrimination. Our aim is for our workforce to be truly representative of all sections of society and our customers, and for each employee to feel respected and able to give their best.

Persimmon is committed to being inclusive for individuals with disabilities, and will support candidates and employees with adjustments to assist them to perform at their best and fulfil their potential.

The Group policy is to ensure equal opportunities for all employees across training, career development and promotion without discrimination and to apply fair and equitable policies which seek to promote entry into and progression within the Group. Appointments are determined solely by application of job criteria, personal ability and competency regardless of race, colour, nationality, ethnic origin, religion or belief, gender, sexual orientation, political beliefs, marital or civil partnership status, age, pregnancy or maternity, or disability. Applications for employment by disabled persons are always fully considered, with appropriate regard to the aptitude and abilities of the person concerned. In the event of any employee becoming disabled, every effort is made to ensure that their employment with the Group continues, that appropriate training is arranged and any reasonable adjustments are made to their working environment. It is the Group's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Financial instruments

Details of the Group's financial instruments are set out in note 24 to the financial statements.

Acquisition of own shares

At the AGM held on 1 May 2025 shareholders granted the Company authority to purchase up to an aggregate of 31,991,854 of its own shares. No shares have been purchased to date under this authority and therefore at 31 December 2025 the authority remained outstanding. This authority expires on 30 June 2026 and a resolution to renew the authority will be put to shareholders at the forthcoming AGM.

At 31 December 2025 the Company held no shares in treasury.

Annual General Meeting

The AGM will commence at 11.00 am on 30 April 2026 at York Racecourse, Knavesmire Road, York, YO23 1EX. The Notice of Meeting and an explanation of the ordinary and special business are given in the AGM circular, which is available on the Company's website and which will be sent to shareholders on 23 March 2026.

Disclosure of information to auditors

The Directors who held office at the date of approval 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 that each Director has taken all steps he ought to have taken as a Director in order to make himself 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.

Listing Rule Disclosures

There are no disclosures to be made under Listing Rule 6.6. As at 31 December 2025 and as at 9 March 2026, the Company had been notified under the Financial Conduct Authority's Disclosure Guidance and Transparency Rule 5 of the following interests in the voting rights of the Company:

	As at 31 December 2025		**As at 9 March 2026**		
Name	Number of voting rights[1]	% of total voting rights	**Number of voting rights[1]**	**% of total voting rights**	**Nature of holding**
Norges Bank	12,737,286	3.97	**12,737,286**	**3.97**	**Direct**
Black Rock Inc	**16,958,847**	5.28	**16,958,847**	**5.28**	**Indirect**

1. Represents the number of voting rights last notified to the Company by the shareholder in accordance with D.T.R.5.1.

Directors' responsibility

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations. The Directors consider that the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. The Board reached this conclusion after receiving advice from the Audit & Risk Committee.

» Further details are provided on page 143

By order of the Board

Tracy Davison
Company Secretary
9 March 2026

Persimmon Plc

Company registration number: 1818486

Remuneration Committee report

COMMITTEE CHAIR'S STATEMENT

Persimmon has delivered a strong performance in 2025 in a challenging market and continues to build on its strategy to deliver sustainable growth over the long term. I believe the 2025 remuneration outcomes reflect the Group's performance and represent a fair and reasonable balance of the interests of all stakeholders.

Annemarie Durbin
Chair of the Remuneration Committee

Remuneration Committee members and meeting attendance 2025

	Scheduled meetings attended	Percentage of meetings attended
Annemarie Durbin (Chair)	4/4	100%
Anand Aithal	4/4	100%
Alex Depledge	4/4	100%
Nigel Mills[1]	1/1	100%

1. Resigned from the Board on 1 May 2025.

We believe that our approach to remuneration for the senior leaders and the broader workforce is aligned to our strategy to build high-quality affordable homes for our customers.

Our performance in 2025 and alignment with remuneration

The Group continued to navigate challenging market conditions in 2025, to deliver a strong performance with 12% growth in completions and underlying profit before tax ahead of market expectations. The performance demonstrates the benefit of sustained investment in recent years alongside our strategy, which has included broad geographic coverage and increased outlets to create a strong platform for growth.

The CEO, CFO and all of our colleagues, have worked hard to deliver these results. The strong financial performance in the period reflects this commitment. Our profit and cash generation and returns to shareholders are described in the Group Chief Executive's Statement on pages 13 to 15.

We measure our success not only by our financial performance and delivery for shareholders, but also in our operating performance. In this, we continue to retain focus on building quality homes and delivering a high level of customer care, as measured through our HBF rating. These results have been achieved whilst maintaining the commitment under our values, to high standards of health, safety and wellbeing for our customers, our workforce and the communities in which we build.

In summary:

- We have delivered a strong financial performance with growth of 12% in completions and improvement in underlying profit of 13%, supporting cash generation and improved ROCE in the year. This has been achieved whilst maintaining a strong balance sheet and investing for further growth.
- Our focus on the quality of our homes and our customer care has continued and we're pleased that we have retained our five-star HBF rating. We have also further improved our quality scores as this continues to be an area of strategic focus.
- Health, safety and the environment is foremost in our operating model, and we have met our target in full. We must continue building on the existing safety culture, whilst maintaining open and transparent incident reporting.
- We have demonstrated strong performance against our long-term environmental targets as set out on page 134, reflecting the continued importance of sustainability at Persimmon.

The Committee remains focused on ensuring alignment throughout our Company in pay decisions as well as ensuring we can attract, retain and develop people for delivery of our strategy. In addition, the ongoing cost of living pressures for both our workforce and wider communities remain a core area of consideration. In 2025, we were pleased to note:

- a pay review for the wider workforce of 3%;
- Real Living Wage increases in spring 2025 ahead of the required May 2025 timeline, as part of our accreditation as a Living Wage employer; and
- ongoing review of key workforce data to support a diverse workforce and the growth and development of our people across the business.

Over the last year the Persimmon Regional and Community Champions has donated over £1m to more than 280 local charities, sports clubs and community groups.

2025 remuneration outcomes

The Committee has assessed performance relative to the targets and objectives set for both short and longer-term remuneration. The targets measure performance across a range of key metrics that the Committee regard as critical in challenging management and driving stretching levels of performance to deliver our business strategy in line with our five key priorities.

Before finalising its decisions, the Committee considers the employee and wider stakeholder experience, in addition to assessing the formulaic outturns.

2025 Group annual bonus

The targets were set based on our business plan and reflecting the continuation of a difficult macroeconomic backdrop, while still positioning the Group for growth. As regards alignment with the overall performance of the business, the outturns reflect that, over the course of the year, the Group has performed strongly against growth targets, whilst maintaining disciplined cost control and prioritising margin protection and continuing to invest in work in progress and the land bank in a disciplined way for sustained long-term future performance. This responsible delivery by management in 2025 is reflected in our strong net margin performance and the overall experience of shareholders, for whom the dividend for 2025 has been maintained.

The annual bonus opportunity for the Group Chief Executive and Chief Financial Officer was based on a mix of financial metrics (60%) and cultural/ESG metrics (40%).

2025 performance resulted in an annual bonus for Group Chief Executive and Chief Financial Officer of 75.0% of their maximum (150.1% and 112.6% of salary respectively). Half of the bonus earned by Executive Directors is paid in cash with half deferred into shares for three years. Details of the outturns relative to the measures set are set out on pages 133 and 134.

2023 Performance Share Plan ('PSP')

Having considered performance over the past three years ended 31 December 2025 against the cumulative targets set out in 2023, the Committee approved the vesting level of the 2023 PSP awards at 61.6% of the maximum. This outturn reflects performance for our shareholders and customers, alongside sustained focus on delivering against our environmental targets. For the Group Chief Executive and senior management in receipt of an award, the vested shares will be subject to a two-year holding period before they are released to the participants. Further details are provided on page 134.

The Committee has considered the outturn in terms of the overall Group performance, shareholder and workforce context for both the annual bonus and PSP. In addition, the Committee considered information from the Audit & Risk Committee on cash and operational expenditure outcomes, including transactions, as well as construction and health, safety and environmental audit plans. The Committee concluded that there were no grounds for exercising its discretion to amend the bonus scorecard outcome or PSP vesting level and that the outcomes reflected the overall position of the Group at the end of the year.

Remuneration Policy

Our current Policy was approved at the 2023 AGM with 98.7% votes in favour. At the 2024 and 2025 AGMs, our Directors' Remuneration Report also received votes in favour of 97.2% and 98.2% respectively. In line with the usual timetable for Policy renewal, we will be seeking shareholder approval for a new Policy at the 2026 AGM.

During 2025, the Committee reviewed the current Policy and engaged with stakeholders as appropriate. The conclusion of the review is that the current Policy is functioning well and supports our strategy and values. There was strong consensus amongst stakeholders for maintaining the overall current structure. Therefore, the proposed new Policy will retain the framework of the current Policy and we are not proposing to make any changes to the structure of our annual bonus and Performance Share Plan ('PSP') or the incentive opportunities. The Policy is set out below and implementation for 2026 is set out on pages 141 and 142.

- The maximum annual bonus potential remains: 200% of base salary for the Group Chief Executive and up to 175% of base salary for other Executive Directors.
- The normal maximum PSP award level remains: 200% of base salary. In line with the current Policy, in exceptional circumstances (such as on recruitment of an Executive Director), awards may be granted up to 300% of base salary.

The following minor changes to the Policy are proposed to ensure that it continues to support the attraction and retention of high-calibre individuals in an increasingly competitive market and to remunerate executives fairly and responsibly for the delivery of sustainable value creation. The changes are summarised in the following table and the full Policy can be found on pages 124 to 130.

Remuneration Committee report continued

Remuneration Policy continued

Summary of Remuneration Policy changes

Proposed change	2023 Policy	2026 Policy	Rationale
Shareholding guidelines	400% of salary.	200% of salary. In line with the current Policy the Committee expects this holding to be achieved within five years of appointment.	This is aligned with both wider market and housebuilder sector practice and aligns the in-employment shareholding guideline with the maximum PSP opportunity.
Linking annual bonus deferral to shareholding guideline	50% of bonus deferred for three years.	The 2026 Policy retains the requirement for 50% of any bonus earned to be deferred into shares for three years but the level of deferral will reduce to 25% of any bonus earned once the Executive Director has met their in-employment shareholding requirement.	This reflects evolving market trends. The Committee is satisfied that through 25% of the bonus earned continuing to be deferred once shareholding guidelines are met, alongside the ability to apply malus on unvested Performance Share Plan awards, there continues to be sufficient mechanisms in place to operate malus and clawback provisions.
Simplify interaction of shareholding guideline and PSP/ Deferred bonus plan for good leavers	In good leaver circumstances retained awards will ordinarily vest and be released on the originally anticipated timescale subject to the satisfaction of the performance conditions and a reduction to reflect the proportion of the performance period that has elapsed (although the Committee has discretion to vest and release the awards earlier, and to assess the performance conditions accordingly, and not to apply the time based reduction).	For good leavers, subject to the satisfaction of the performance conditions and a reduction to reflect the proportion of the performance period that has elapsed, PSP awards are released on the later of i) the end of the three-year performance period (i.e. PSP awards will not be released before the end of the three-year performance period); and ii) two years post-cessation (aligned to the post-cessation shareholding guideline period). DBP awards would also vest two years post-cessation (aligned to the post-cessation shareholding guideline period).	This change limits the shares which must be held to two years post-cessation for a good leaver thereby reducing complexity and administration.
Other Changes	Other minor changes have been made to aid administration and to take account of changes in practice since the 2023 Policy was approved by shareholders, including that the discretion to override the formulaic outturn for the PSP has been updated to be consistent with the corresponding annual bonus provisions.		

The proposed 2026 Policy has been determined to:

- continue to align the interests of the Executive Directors, senior management and employees with those of shareholders and wider stakeholders, and to ensure appropriate alignment with values and key priorities;
- ensure that remuneration and incentives adhere to the principles of good corporate governance, support good risk management practice and promote long-term sustainable Company performance; and
- have a competitive mix of fixed remuneration and short-term and long-term incentives, with an appropriate proportion of the package determined by stretching targets linked to the Company's financial and non-financial performance.

2026 implementation

Salary

The salary increase for the wider workforce agreed in July 2025 was 3% and the CEO and CFO's salary increased in line with this. The CEO's salary was increased to £832,000 and the CFO's salary increase to £545,900.

The CEO's and CFO's salaries will be reviewed in July 2026. Any increases for 2026 will be made in the context of market alignment, with consideration of the increase given to the wider workforce. When finalising our approach, we will have regard to all of the circumstances, including the impact of any Executive Director salary increases on their total remuneration opportunities. We will confirm any changes to the Executive Directors' salaries in the 2026 Directors' Remuneration Report.

Annual bonus

The maximum bonus quantum will remain at 200% of salary for Dean Finch and 150% of salary (less than the Policy maximum of 175%) for Andrew Duxbury.

The overall performance metrics applying to both Executive Directors are subject to a minor change in 2026. 60% of the bonus remains subject to financial performance, but there is a change in the weighting of financial measures. In 2026 30% of the maximum award will be based on performance against targets for profit before tax and 30% will be based on cash generation subject to an ROCE underpin to support robust capital returns. This change has been made to support delivery of our strategy to generate significant incremental shareholder value and returns and recognises the importance of cash generation at this stage of the business cycle. The cultural metrics are customer care (15%), build quality (20%) and health and safety (5%).

The financial targets are commercially sensitive and therefore will be disclosed in the 2026 Remuneration Report. Delivery of a stretching target level of performance will result in the Executive Director receiving 50% of the maximum award. Vesting is at 20% of the maximum for threshold performance.

Performance Share Plan

There is no change to the normal maximum PSP award level: 200% of base salary. The metrics for PSP awards granted in 2026 are the same as those used in 2025, namely:

Metric	Weighting (%)
Relative TSR	23%
Earnings per share	23%
Cash generation	24%
Cultural	20%
Environmental	10%

The cultural metric will be based on the HBF customer satisfaction score calculated on the new methodology for the five-star rating.

The TSR peer group for the 2026 award will remain the same as in 2025, namely companies comprising the FTSE 51-100 (excluding financial services), plus any of the major housebuilders that do not fall into this group. Further details of the metrics can be found on page 142.

The Board believes in the importance of cultural and ESG metrics and this is reflected in our use of customer care and quality in the annual bonus and PSP, and the incorporation of a clear and measurable environmental target in the PSP. We have reviewed our environmental target and weighting and believe that, given the sector in which we operate, this remains a key focus for the Group as part of our strategy to deliver long-term sustainable value for shareholders and our wider stakeholders.

The Committee considers that the overall Executive remuneration approach is fair, balanced and reasonable taking into account the interests of all stakeholders.

Non-Executive Directors

Information in relation to the approach to Non-Executive Director fees is set out on page 142. The Committee determines the Chair's fee and the Board determines the Non-Executive Directors' fees.

The Chair and Non-Executive Director fees are reviewed annually in July. In July 2025, in line with the wider workforce, fees were reviewed and increased by 3% for the Chair and other Non-Executive Directors.

Looking ahead – key focus areas for the Committee for 2026

The Committee believes that the proposed Directors' Remuneration Policy is fully aligned to our five key priorities and reflects best practice and trust that this will result in a positive shareholder vote at the AGM.

2026 will require continued focus on development of a pipeline of land opportunities to underpin continued outlet and volume growth against market conditions that are expected to remain muted. The Committee will continue to monitor the operation of the Policy to ensure that targets remain relevant and stretching and that it provides an appropriate level of reward to attract and retain high-calibre individuals in a competitive market.

The Committee will continue to consider the experiences of the wider workforce, shareholders and other stakeholders and to remunerate Executives fairly and responsibly. It remains committed to a responsible approach to Executive pay, as I hope this Directors' Remuneration Report demonstrates.

The Committee believes the Policy operated as intended and considers that the remuneration the Executive Directors received in 2025 is appropriate, taking into account Group performance, personal performance, and the experience of shareholders, employees, and customers. As always, I am happy to meet or speak with shareholders if there are any questions or feedback on our approach to Executive remuneration, and I hope that we will earn your support at the forthcoming AGM.

Annemarie Durbin
Chair of the Remuneration Committee
9 March 2026

Remuneration Committee report continued

AT A GLANCE

2025 actual remuneration

	CEO Dean Finch	CFO Andrew Duxbury
Salary*	£832,000	£545,900
Pension/salary supplement	9% of salary in line with wider workforce	9% of salary in line with wider workforce
Annual bonus maximum opportunity	200% of salary	150% of salary
PSP maximum opportunity	200% of salary	200% of salary
Single figure total for 2025	£3,108,751	£1,822,552

* Salary as at 1 July 2025.

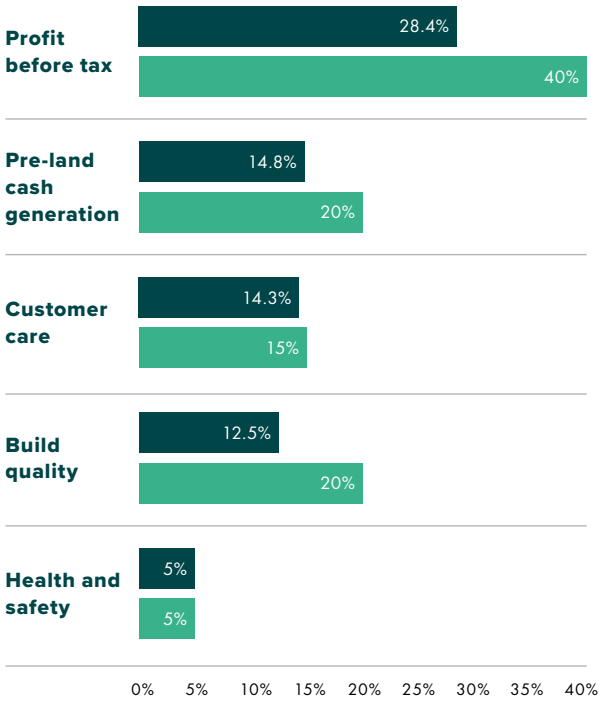
Implementation in 2026

	CEO Dean Finch	CFO Andrew Duxbury
Salary	£832,000	£545,900
Pension/salary supplement	9% of salary in line with wider workforce	9% of salary in line with wider workforce
Annual bonus maximum opportunity	200% of salary	150% of salary
PSP maximum opportunity	200% of salary	200% of salary

2025 variable pay outturns

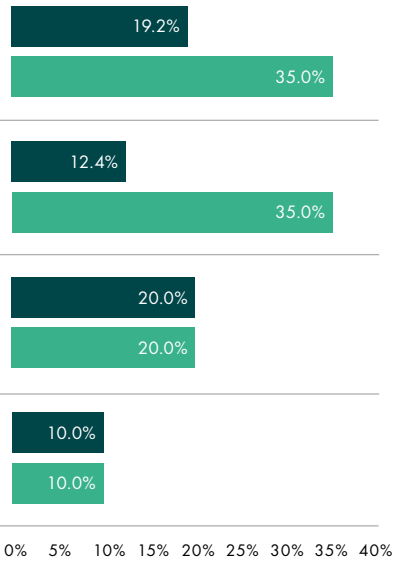
Annual bonus earned for 2025

Reflecting a strong performance in a challenging market, the annual bonus outcome for the CEO and CFO was 75.0% of maximum (150.1% of salary for the CEO and 122.6% of salary for the CFO). 50% of the bonus earned will be deferred into shares for three years.



Performance Share Plan

Dean Finch received a PSP award in 2023. Based on performance over 2023-2025 the award has vested at 61.6% of the maximum. A further two-year holding period will apply to the vested shares.



Outturn (% of maximum)
Weighting (% of maximum)

Alignment to key priorities

Build quality and safety

- Customer care and quality metrics are included as performance conditions for annual and long-term incentives.
- A specific health and safety metric is included in the annual bonus.
- Failure of acceptable health and safety standards is explicitly included in recovery provisions for annual and long-term incentives.

Reinforcing trust: customers at the heart of our business

- Customer care metrics are included in both our annual and long-term incentives.

Disciplined growth: high-quality investment

- Financial metrics included as performance conditions for incentives:
  - profit before tax;
  - pre-land cash generation;
  - total shareholder return; and
  - earnings per share.

Industry-leading financial performance

- Financial metrics included as performance conditions for incentives:
  - profit before tax;
  - pre-land cash generation;
  - total shareholder return; and
  - earnings per share.

Supporting sustainable communities

- Environmental metrics are included in our incentives.

» Discover more at www.persimmonhomes.com/corporate

Our wider workforce and communities

All permanent salaried employees are eligible to participate in a bonus and/or commission scheme.

A total base pay increase of 3% was implemented for the wider workforce effective in July 2025.

Persimmon is a Living Wage Foundation accredited employer.

No. of employees participating in our savings-related share scheme ('SAYE')

1,868

During the year Persimmon Regional and Community Champions donated over

£1m

to over 280 charities

Ensuring shareholder alignment

50% of any bonus earned by Executive Directors is deferred into shares for three years

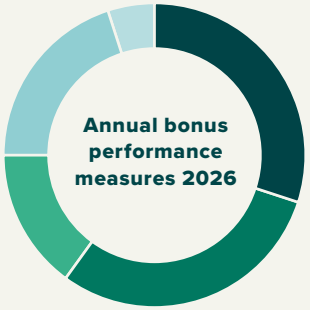
Subject to performance targets being met, all PSP shares vest after three years and vested shares are then subject to a further two-year holding period.

Shareholding requirement guidelines are set at 400% of salary for the Executive Directors, with 200% of salary expected to be achieved within five years of appointment.

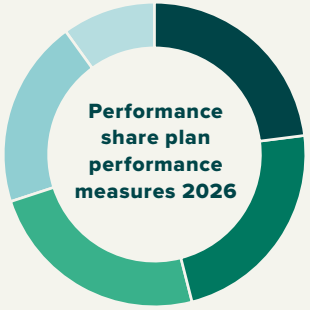
Dean Finch – CEO

Andrew Duxbury – CFO

Position against holding requirement of 200% expected to be achieved within five years of appointment



Profit before tax	30%
Pre-land cash generation	30%
Customer care	15%
Build quality	20%
Health and safety	5%



Relative TSR	23%
EPS	23%
Pre-land cash generation	24%
Customer care	20%
Environmental	10%

Remuneration Committee report continued

DIRECTORS' FUTURE REMUNERATION POLICY

The Remuneration Policy (the '2026 Policy') for Executive Directors, the Chair of the Board and Non-Executive Directors is set out below. Shareholders will be asked to approve this at the AGM to be held on 30 April 2026. Once approved the Policy will apply to payments made from this date.

Until this time the Remuneration Policy approved by Shareholders on 26 April 2023 will continue to apply (the '2023 Policy').

Executive Directors

A summary of the proposed changes to the Remuneration Policy is set out on page 120, together with the aims of the Policy.

To achieve the aims of the 2026 Policy, the remuneration of the Executive Directors is made up of different elements of fixed and variable pay, with a significant emphasis on performance related pay for achievement of stretching targets. If challenging performance conditions attached to variable pay are achieved in full, a substantial proportion of an Executive Director's remuneration will be performance related.

Remuneration Policy for Executive Directors

Purpose	How it operates	Maximum payable	Performance framework
Base salary Core element of fixed remuneration reflecting individual's role and experience.	Usually reviewed annually with any increases normally taking effect from 1 July. When reviewing salaries, consideration is given to any increases awarded to the Group's salaried employees, business and market conditions, and any change in a Director's role and experience. Where an Executive Director is to be promoted or where their role is to be expanded or changed, the Committee will review the salary payable and decide whether an adjustment is appropriate.	The Committee does not consider it appropriate to set maximum salary levels. Any increases will generally be in line with or below increases applied to the Group's salaried employees (in percentage terms). Increases may be made above that level in appropriate circumstances, which may include but are not limited to, promotions, where the Committee has purposefully set a lower starting salary for a newly appointed Director, or if a Director's salary is no longer market competitive or to reflect development and performance in role or a change in the size or complexity of the role.	Although performance conditions do not apply, the individual's performance is taken into account in determining the level of any salary increase.
Pension/Salary supplement Provide a competitive means of saving to deliver appropriate income in retirement.	Base salary is the only component of remuneration which is pensionable. The Company operates a defined contribution ('DC') scheme. A Director may receive a salary supplement in lieu of some or all of the pension benefits available under the schemes.	The maximum DC pension contribution or salary supplement (or combination of those two elements) is 9% of base salary, subject to any increase to take account of changes to the pension/salary supplement provided to the Group's salaried employees.	None.

Purpose	How it operates	Maximum payable	Performance framework
Benefits Provided on a market competitive basis.	The benefits include: a fully financed car or cash car allowance, Group medical scheme membership, life assurance, provision of a mobile phone (or reimbursement of mobile phone costs), and income protection scheme membership. The Committee does not currently expect to change the range of benefits offered to Executive Directors but retains the discretion to add to the benefits available in appropriate circumstances, which may include providing relocation allowances where appropriate.	The Committee has not set a maximum value of benefits for Executive Directors, but the value will be set at a level which the Committee considers to be appropriately positioned, taking into account the nature and location of the role and individual circumstances.	None.
Annual bonus The annual bonus rewards Executive Directors for performance in the relevant year against targets and objectives linked to the delivery of the Company's strategy.	A proportion, determined by reference to the satisfaction of the share ownership guideline as set out below, of any annual bonus earned is paid in cash. To further link the Executive Director's pay to the interests of shareholders, 50% of any bonus earned (subject to a de minimis limit of £5,000) is deferred into shares for three years. Once the share ownership guideline has been achieved (as determined by the Committee) the level of bonus deferral reduces to 25%. The Committee has the discretion to override the formulaic outturn of the bonus, including where it believes the outcome is not reflective of underlying performance or is not appropriate in the context of circumstances that were unexpected or unforeseen at the start of the bonus year. Vesting of deferred bonus awards is not subject to further performance conditions. Deferred bonus awards may incorporate the right to receive additional shares calculated by reference to the value of dividends which would have been paid on the shares up to the time of vesting, which may assume the reinvestment of dividends into shares on such basis as the Committee determines. Recovery provisions apply, as referred to on page 127.	The maximum annual bonus potential is 200% of base salary for the Group Chief Executive and 175% of base salary for other Executive Directors.	Performance conditions are set annually by the Committee to ensure that they take into consideration the Company's strategy and the outlook for the Company over the medium term and are appropriate from a risk perspective. Financial metrics such as profit and cash generation will have the majority weighting. Non-financial metrics such as customer care and quality, where applied, will have a minority weighting. **Financial metrics:** Subject to the Committee's discretion to override formulaic outturns, payment at threshold performance is up to 20% of the maximum, up to 50% of the maximum will be payable for on-target performance and all of the bonus will be payable for maximum performance. **Non-financial strategic or individual metrics:** Subject to the Committee's discretion to override formulaic outturns, payment of the non-financial strategic or individual metrics will apply on a scale between 0% and 100% of that element based on the Committee's assessment of the extent to which a non-financial performance metric has been met.

Remuneration Committee report continued

DIRECTORS' FUTURE REMUNERATION POLICY CONTINUED

Remuneration Policy for Executive Directors continued

Purpose	How it operates	Maximum payable	Performance framework
The PSP To provide a link between the remuneration of Executive Directors and the creation of shareholder value by rewarding Executive Directors for the achievement of longer-term objectives aligned to shareholder interests.	Under the PSP, the Committee may grant awards as conditional shares, nil-cost options or in such other form as the Committee determines has a substantially similar economic effect. Awards vest subject to the satisfaction of performance conditions assessed over a period of not less than three years. The Committee has the discretion to override the formulaic vesting outturn applying to any PSP award, including where it believes the outcome is not reflective of underlying performance or is not appropriate in the context of circumstances that were unexpected or unforeseen at the date of grant. Awards are granted subject to a holding period of two years following the end of the performance period, with the awards usually only released to the Executive Director (so that the Executive Director can acquire the shares subject to the award) following the end of the holding period. PSP awards may incorporate the right to receive additional shares calculated by reference to the value of dividends which would have been paid on the shares up to the time of release, which may assume the reinvestment of dividends into shares on such basis as the Committee determines. Recovery provisions apply, as referred to below.	The usual maximum award level in respect of any financial year of the Company is 200% of base salary. However, in exceptional circumstances (such as on recruitment of an Executive Director), awards may be granted in respect of any financial year of the Company at the level of up to 300% of base salary.	Performance conditions applying to awards under the PSP will be based on financial and/or strategic measures aligned to the Company's long-term strategy, which may include, but are not limited to, cash generation, relative TSR, cultural and environmental metrics. Subject to the Committee's discretion to override formulaic outturns, awards will vest at 25% for threshold performance, increasing to 100% for maximum performance.
HMRC qualifying all-employee scheme HMRC qualifying all-employee share schemes are to encourage employees to take a stake in the business, which aligns their interest with that of shareholders.	Executive Directors are eligible to participate in all-employee schemes on the same basis as other qualifying employees.	Maximum is subject to limits in the applicable tax legislation.	None, in line with usual practice.

Share ownership guidelines

In-service requirement

During employment, Executive Directors are required to acquire and retain shares with a value equal to 200% of base salary (or, if higher, their normal annual PSP award level), with an expectation that a holding with a value equal to 200% of salary will be achieved within five years of appointment. Progress towards the guideline will be reviewed regularly. Executive Directors will be required to retain all shares acquired under the PSP and deferred bonus awards, on a net of tax basis, until the shareholding guideline is met, unless in exceptional circumstances the Committee exercises discretion to vary this requirement. Shares subject to awards which are not (or are no longer) subject to performance conditions will count towards the requirement on a net of assumed tax basis.

Post-employment requirement

Following employment, Executive Directors are required to retain for a period of two years such number of shares as they were required to acquire and retain during employment (or, if fewer, the number of shares they held at the date of cessation of employment). Shares which the Executive Director purchases or acquires pursuant to the Company's SAYE scheme will not be subject to any post-employment holding requirement. The Committee retains discretion to vary this requirement in exceptional circumstances.

Recovery provisions (malus and clawback)

Recovery provisions may be applied in the event of the following:

- a material misstatement of any Group member's financial results;
- gross misconduct on the part of the participant which affects substantially the financial performance or reputation of a Group member;
- an error in assessing a performance condition;
- a material failure of risk management;
- serious reputational damage to any Group member;
- serious misconduct or material error on the part of the participant;
- a material corporate failure;
- a failure of acceptable health and safety standards, which may include a fatality; or
- any other circumstances considered to be similar in their nature or effect to those set out above.

The recovery provisions may be applied in the case of the annual bonus for three years from the date on which the amount of the bonus is determined and, in the case of PSP awards, until the fifth anniversary of the grant date.

The Committee considers these time horizons appropriate on the basis that:

- it aligns with our annual bonus deferral period and the combined performance and holding period under the PSP;
- it provides sufficient time for any potential circumstances to arise; and
- it aligns with typical market practice.

Operation of share plans

The Committee may amend the terms of awards and options under its share plans in accordance with the plan rules in the event of a variation of the Company's share capital or a demerger, special dividend or other similar event or otherwise in accordance with the terms of the plans. The Committee will operate any such plan in accordance with its rules. Share awards granted under any such plan may be settled (in whole or in part) in cash, although the Committee would only do so where the particular circumstances made it appropriate to do so – for example, where there is a regulatory restriction on the delivery of shares.

Choice of performance conditions

Annual bonus conditions	Rationale for selection and how performance targets are set
Profit before tax and cash generation Customer satisfaction, quality, and/or other non-financial, strategic, or personal measure	Aligned with the Company's strategy to deliver high-quality growth and return cash to shareholders. These are important factors in ensuring overall business performance, sustainability and reputation. Cash generation is critical over both the short and longer term and therefore it is included in both the annual bonus and PSP. Performance measures and targets are reviewed annually by the Committee to ensure that they take into consideration the Company's strategy and the outlook for the Company over the medium term and are appropriate from a risk perspective.
PSP	**Rationale for selection and how performance targets are set**
Relative TSR Earnings per share Cash generation (subject to return on capital employed underpin) **A cultural metric and/or environmental metrics**	Performance conditions for the PSP will be determined by the Committee and aligned with the Company's strategy. The rationale for the proposed performance conditions is as follows. **Relative TSR:** Provides a means of comparing the Company's performance with that of peers. Aligns the rewards received by Executives with the returns received by shareholders. Ensures rewards are linked to outperformance of peer companies. Aligned with market practice in wider FTSE 100 and sector peers. **Earnings per share:** EPS metric is aligned to our growth ambitions, which is a key strategic aim, in addition to being a focus for our shareholders. **Cash generation:** Ensures generation of cash to fund returns to shareholders is the result of long-term sustainable financial performance which is a core element of the strategy. Return on capital employed underpin ensures that returns to shareholders are the result of long-term sustainable financial performance. **Cultural and environmental metrics:** Support our future success and reflect the importance to the Group of environmental considerations.

The Committee retains the right to adjust or set different performance measures in appropriate circumstances (such as, but not limited to, a change in strategy, a material acquisition and/or a divestment of a Group business or a change in prevailing market conditions), which cause the Committee to determine that the measures are no longer appropriate and that amendment is required so that they achieve their original purpose.

Differences between the Executive Directors' and general employees' remuneration policy

Performance related pay makes up a significantly higher proportion of remuneration for the Executive Directors and senior employees than for employees generally, reflecting the role of these individuals in managing the business to achieve the Company's strategic objectives. The Committee considers that the emphasis on performance related pay for Executive Directors and senior employees closely aligns the Directors' interests with those of shareholders and helps to deliver excellent long-term Company performance. All employees are able to participate in share ownership through the SAYE which is operated on an annual basis.

Remuneration Committee report continued

DIRECTORS' FUTURE REMUNERATION POLICY CONTINUED

Non-Executive Directors

Purpose	How it operates	Maximum payable	Performance framework
Fees Fees are the principal element of Non-Executive Directors' remuneration and set at a level appropriate to attract Non-Executive Directors with a broad range of skills and experience to complement the Board. Non-Executive Directors with diverse skills and experience will assist the Board when setting the Company's strategy and overseeing its successful implementation. Benefits relevant to the role may also be provided.	Fees for the Chair of the Board are determined by the Committee and fees for other Non-Executive Directors are determined by the Board as a whole. They are set at levels, commensurate with the individual's duties and responsibilities for a company of our size and complexity. Fees are reviewed annually with any increases normally taking effect from 1 July. When reviewing fees, consideration is given to market conditions, the size of the business and any increases awarded to the Group's salaried employees. Non-Executive Directors do not receive bonus, pension or salary supplement payments or performance based share scheme awards, but may be paid fees in shares (which may include a non-performance based nil or nominal cost award over Persimmon shares, which may incorporate a right to 'dividend equivalents' over the award's vesting period). Benefits may be provided in connection with the undertaking by a Non-Executive Director of their duties. Reimbursed expenses may include a gross-up to reflect any tax or social security due in respect of the reimbursement.	Increases to Non-Executive Directors' fees will be determined having regard to increases applied to the Group's salaried employees (in percentage terms), although fee increases may be awarded above this level in appropriate circumstances including (but not limited to): where there has been a change in market practice; where there has been a change in the size or complexity of the business; where there has been an increase in the time commitment required for the role. Additional fees are payable to Non-Executive Directors for extra responsibilities, such as chairing a Board committee, holding the office of Senior Independent Director, or the office of Workforce Engagement Non-Executive Director, or any other additional responsibilities.	N/A

Recruitment and promotion policy

Ongoing remuneration

The Committee's approach to recruitment remuneration is to pay no more than is necessary to attract candidates with the appropriate skills for the housebuilding industry. The Committee retains discretion to include other elements of remuneration which are not included in the provisions of the 2026 Policy set out above should business needs require. However, this discretion is subject to the following principles and limitations, and the commercial rationale for taking such action will be disclosed in the following Annual Report on Remuneration.

- In general our policy is to set salaries based on the market rate. In certain circumstances the salary for a new Executive Director may be set below the normal market rate, with increases over such period as the Committee determines as the Director gains experience in their new role.
- Pension/salary supplement benefits will be provided in line with the provisions of the 2026 Policy set out above.
- The variable remuneration that may be awarded will be subject to the applicable limit set out below.
- Without prejudice to the ability to offer additional cash and/or share-based elements to take account of remuneration relinquished from a former engagement as discussed below, the discretion will not be used to make non-performance related incentive payments.

Examples of the circumstances in which these other elements may be provided include:

- an interim appointment being made to fill an Executive Director role on a short-term basis;
- if exceptional circumstances require that the Chair of the Board or a Non-Executive Director takes on an executive function on a short-term basis; and
- if an Executive Director is recruited at a time in the year when it would be inappropriate to provide a bonus or a PSP award for that year as there would not be sufficient time to assess performance, subject to the applicable limit on variable remuneration set out below, the quantum in respect of the months employed during the year may be transferred to the subsequent year so that reward is provided on a fair and appropriate basis.

The Committee may alter the performance measures and vesting/deferral/holding period of annual bonus and PSP awards to take account of the circumstances of the recruitment.

The maximum level of variable remuneration which may be granted to a new Executive Director on appointment (excluding any award to take account of remuneration relinquished from a former engagement) will be 475% of salary and, for a new Chief Executive, 500% of salary.

As described in the policy tables above, it may also be necessary to offer relocation benefits for external and internal appointments.

Buy-out awards

The Committee may offer additional cash and/or share-based elements at recruitment when it considers these to be in the best interests of the Company (and therefore shareholders) to take account of remuneration relinquished from a former engagement and would take account of the nature, time horizons and performance requirements attaching to that remuneration. These awards will ordinarily be granted on the basis that they are subject to forfeiture or 'clawback' in the event of departure within 12 months of joining the Company, although the Committee will retain discretion to not apply forfeiture or clawback in appropriate circumstances.

Internal appointments

For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role will be allowed to pay out according to its terms.

Non-Executive Director appointments

The remuneration package for a newly appointed Non-Executive Director would be in line with the structure set out in the policy table for Non-Executive Directors.

Service contracts

The Company's policy is for service contracts with Executive Directors to have no more than a 12-month notice period.

The Chair of the Board and the Non-Executive Directors are not employees, they have letters of appointment which set out their duties and responsibilities; they do not have service contracts.

The Chair of the Board's and the Non-Executive Directors' letters of appointment are effective from their date of appointment. Their appointment is initially for a three-year term but is subject to re-election at each AGM and their appointment may be terminated on three months' notice for the Chair and one month's notice for the Non-Executive Directors.

Policy on payment for loss of office

Payments in lieu of notice

The Company retains the right to terminate each Executive Director's service agreement by making a payment in lieu of some or all of the notice period. Any such payment would consist of base salary and may also include benefits (including pension or salary supplement contributions) in respect of the unexpired notice period for termination.

Annual bonus

Any payment to an Executive Director on termination in respect of annual bonus will be determined by the Committee taking into account the circumstances of the termination. Any payment will be pro-rated to reflect the proportion of the bonus year worked and subject to performance achieved. Payments will ordinarily only be made at the usual time (although the Committee retains discretion to make payments early in appropriate circumstances). The Committee retains discretion to pay the whole of the bonus for the year of departure and/or the previous year in cash but will only do so in exceptional circumstances.

Entitlements under the Company's share plans will be treated in accordance with the plan rules in the event of cessation of employment, as follows.

Plan	Treatment
PSP	Cessation during the performance period. In the event of cessation during the performance period, an award will ordinarily lapse. However, in 'good leaver' circumstances (including cessation due to death, ill-health, injury, disability or any other reason at the discretion of the Committee) awards may be retained. Retained awards will ordinarily vest subject to the satisfaction of the performance conditions and a reduction to reflect the proportion of the performance period that has elapsed. Retained awards which vest will be released on the originally anticipated timescale or, at the discretion of the Committee, at the later of the end of the performance period and two years following the cessation of employment. The Committee has discretion to vest and release the awards earlier, and to assess the performance conditions accordingly, and not to apply the time based reduction. Cessation during the holding period. In the event of cessation during the holding period, the award may be retained (other than in the case of summary dismissal) and will be released at the ordinary release date to the extent the performance condition was met (although the Committee has discretion to release the award earlier).
Deferred Bonus Plan	In the event of cessation before vesting, an award will ordinarily lapse. However, if a participant leaves as a result of death, ill-health, injury, disability or any other reason at the discretion of the Committee, the award will be retained and will vest on the originally anticipated timescale or, at the discretion of the Committee, two years post-cessation of employment. The Committee also has discretion to vest the award at the date of cessation in the event of death or in other compassionate circumstances.
SAYE	SAYE options will vest and become exercisable in the event of cessation in line with the plan rules and applicable legislation, which do not provide for any discretion.

In determining whether an Executive Director is a good leaver' and therefore should receive an annual bonus or whether to exercise discretion to treat an Executive Director as a 'good leaver' for the purposes of any subsisting awards under the Deferred Bonus Plan or PSP, the Committee will have regard to a range of factors, including the circumstances of the termination, the Executive Director's length of service, performance and behaviour in role, overall business performance and, where relevant, contribution to an orderly succession.

The Committee reserves the right to make any other payments in connection with an Executive Director's cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement of any claim arising in connection with the cessation of a Director's office or employment. Any such payments may include but are not limited to paying any fees for outplacement assistance and/or the Director's legal and/or professional advice fees in connection with their cessation of office or employment and/or payments in respect of accrued but untaken holiday. In appropriate circumstances, the Committee may agree that certain benefits (such as medical insurance) may be continued for a reasonable period following termination of employment.

Change of control

The rules of the Company's share schemes provide for early exercise of awards on a takeover or change of control. Entitlements under the Company's share plans will be treated in accordance with the plan rules in the event of change of control, which provide as follows.

Plan	Treatment
PSP	Unvested PSP awards will vest in the event of a change of control to the extent determined by the Committee taking into account the extent to which the performance condition has been satisfied and the proportion of the performance period that has elapsed (although the Committee has discretion to waive this time based reduction). Vested PSP awards which are in a holding period will be released in the event of a change of control to the extent determined by reference to the satisfaction of the performance condition.
Deferred Bonus Plan	Deferred Bonus Plan awards will vest in the event of a change of control.
SAYE	SAYE options will vest and become exercisable in the event of a change of control in line with the plan rules and applicable legislation, which do not provide for any discretion.

Legacy arrangements

The Committee retains discretion to make any remuneration payment or payment for loss of office (including exercising any discretion available to it in respect of any such payment) outside the 2026 Policy:

- where the terms of the payment were agreed before the 2026 Policy came into effect, provided in the case of any payment whose terms were agreed after the Company's 2017 AGM and before the 2026 Policy becomes effective, the remuneration payment or payment for loss of office was permitted under the Company's relevant former Directors' Remuneration Policy; or
- where the terms of the payment were agreed at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration of the individual becoming a Director of the Company.

For these purposes, 'payment' includes the satisfaction of awards of variable remuneration and, in relation to an award over shares, the terms of the payment are agreed no later than the time the award is granted.

Remuneration Committee report continued

DIRECTORS' FUTURE REMUNERATION POLICY CONTINUED

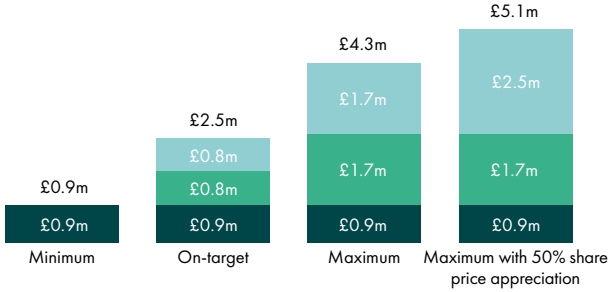
External appointments

The Directors recognise that external appointments can broaden an individual's skills and experience. If an Executive Director wishes to take up an external appointment, they must first seek approval from the Chair of the Board.

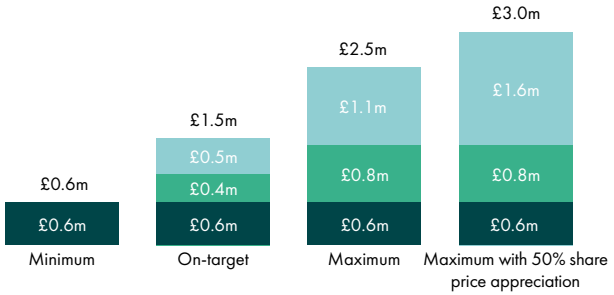
Illustrations of application of 2026 Policy

The following charts illustrate the remuneration packages of the Group Chief Executive Officer and Chief Financial Officer for the year ending 31 December 2026 under the 2026 Policy for various indicative levels of performance.

Chief Executive Officer



Chief Financial Officer



Key	Element	Minimum performance	On-target performance	Maximum performance	Maximum performance with 50% share price growth
	Fixed remuneration	2026 base salary, benefits and pension	2026 base salary, benefits and pension	2026 base salary, benefits and pension	2026 base salary, benefits and pension
	Annual bonus[1,2]	None	50% of maximum opportunity	100% of maximum opportunity	100% of maximum opportunity
	Performance Share Plan (PSP)[2,3]	None	50% of maximum opportunity	100% of maximum opportunity	100% of maximum opportunity plus 50% share price growth

1. Maximum bonus opportunity is 200% of base salary for the CEO and 150% of base salary for the CFO.
2. Dividend accrual on deferred remuneration has been excluded from all four scenarios; share price movement has been excluded from the minimum, target and maximum scenarios.
3. Maximum PSP opportunity is 200% of base salary for the CEO and 200% of base salary for the CFO.

For the purpose of these charts, the following assumptions have been made.

- Fixed remuneration comprises base salary, pension and other benefits.
- Base salary levels are those applying on 1 January 2026.
- Benefit levels are those applying as at 1 January 2026.
- Minimum performance reflects fixed remuneration as above, and assumes no payment under the annual bonus and no vesting is achieved under the PSP.
- Expected performance reflects fixed remuneration above, and assumes 50% of annual bonus is earned (100% of base salary for the Group Chief Executive and 87.5% of base salary for the Chief Financial Officer) and 50% of the PSP (100% of base salary for each of the Group Chief Executive and Chief Financial Officer) vests.
- Maximum performance reflects fixed remuneration as above, and assumes full bonus pay out (200% of base salary for the Group Chief Executive and 175% of base salary for the Chief Financial Officer) and full vesting under the PSP (200% of base salary for each of the Group Chief Executive and Chief Financial Officer).
- The final illustration is based on the same assumptions as the maximum performance illustration, but also assumes for the purposes of the PSP that share price increases by 50%.

Statement of consideration of shareholder views

The Committee consults with major shareholders and their representative bodies on remuneration matters, particularly if any material changes are proposed to the Remuneration Policy. When determining the 2026 Policy, the Remuneration Committee consulted with the Company's major shareholders representing 52.6% of the share register, as well as leading proxy voting service providers, and we are grateful for stakeholders' engagement with us.

There was general support for the 2026 Policy with recognition of the Remuneration Committee's determination to deliver best practice. The links to our five key priorities, with appropriate balance between financial and non-financial metrics, were well received.

Statement of consideration of employment conditions elsewhere in the Group

In accordance with the UK Corporate Governance Code, the Committee reviews pay and employment conditions of the wider workforce, and takes these into account when reviewing and determining remuneration of the Executive Directors.

Whilst the Committee does not directly consult with the wider workforce when determining the remuneration of the Executive Directors, it engages with the Employee Engagement Panel, to whom it presents its approach to Executive remuneration and seeks their feedback.

The Company is also a Living Wage Foundation accredited employer, paying the Real Living Wage to our employees, and has established (and regularly reviews) a remuneration dashboard of Group-wide workforce pay statistics and trends. Further information on wider workforce remuneration and our approach to engagement can be found on page 138. These approaches enable the Committee to better know and understand the Group's workforce, to ensure that all remuneration decisions are made in context.

ANNUAL REPORT ON REMUNERATION

Role of the Remuneration Committee

The role of the Committee is set out in its terms of reference, which is reviewed annually and were last reviewed in December 2025. These can be found on our website at www.persimmonhomes.com/corporate. The Committee meets on at least three occasions a year and otherwise as required. In 2025 the Committee had four scheduled meetings. Additional meetings were held as necessary. The attendance at meetings can be located on page 118.

The Committee determines the remuneration policy for the Group's Chair, Executive Directors, and the Senior Executive Group, which for 2025 consisted of the UK MD, Deputy UK MD, Regional Chairs, the Group Transformation and Land Strategy Director, Chief Customer Experience Officer, Group Strategy and Regulatory Director, the Chief Human Resources Officer and the Company Secretary. Membership of this Group is kept under review to ensure it aligns to the organisational structure and comprises the senior management roles. This is a responsibility which has been delegated from the Board. The policies and practices are designed to support strategy and promote the long-term sustainable success of the Group. When setting and implementing the Policy for Executive Directors, the Committee has reviewed and taken into account workforce related policies and the alignment of incentives and rewards with culture. The Committee carefully considered the Group's strategy to increase customer focus and improve build quality and has aligned the variable remuneration metrics to meet this. Further information regarding the members of the Committee, including their biographies, can be located on pages 86 and 87. The Committee reviews its effectiveness each year. Further information can be located on pages 98 to 100.

Internal attendees to Committee meetings consisted of the Group Chief Executive, Chief Human Resource Officer and the Group Head of Reward. These attendees provided important information to the Committee and were not involved in any decisions relating to their own remuneration.

What the Committee has focused on during the year

Key areas of focus	Remuneration Committee activities in 2025
Directors' Remuneration Policy	• Undertook a review of the Directors' Remuneration Policy and agreed minor changes. • Engaged with shareholders in advance of approval for a new Policy being sought at the 2026 AGM.
Senior Management remuneration	• Agreed the remuneration framework for the Executive Directors. • Reviewed the policy and agreed the remuneration framework for the Senior Executive Group. • Considered the wider workforce and any impact on and alignment of executive pay.
Annual bonus and PSP awards	• Approved the 2024 bonus and 2022 PSP outturns. • Approved the level of awards made to the Executive Directors, the Senior Executive Group and to other senior managers in the Group. • Agreed the performance conditions and targets for the 2025 annual bonus. • Agreed the performance conditions and targets for the 2025 PSP awards made to Executive Directors and senior management. Discussed and approved the introduction of an EPS measure.
Governance and engagement	• Remuneration Committee Chair attended a meeting of the Employee Engagement Panel to discuss executive remuneration and alignment with broader workforce reward. • Reviewed the Committee's terms of reference. • Confirmed the continuing independent and effectiveness of the remuneration consultants. • Considered and approved the Annual Report on Remuneration.
Workforce remuneration	• Noted salary increases and pay practices for employees to ensure that reward at a senior level is aligned appropriately with the experience of the broader workforce in terms of pay and benefits. • Reviewed the HR dashboard which sets out key workforce data and considered the impact on decision relating to Executive Directors and the Senior Executive Group.

What the Committee is focusing on for 2026

Key areas of focus	Remuneration Committee activities in 2026
Executive Directors and Senior Management remuneration	• Agree the remuneration framework for the Executive Directors and Senior Executive Group. • Take note of reward decisions for the wider workforce and consider any impact on and alignment of executive pay.
Annual bonus	• Agree performance conditions for 2026 awards.
PSP awards	• Agree performance conditions for 2026 PSP awards. • Agree the level of awards made to the Executive Directors, the Senior Executive Group and to other senior managers in the Group.

Advisors

The Committee sought advice during the year on remuneration matters in relation to market and best practice. The advice was sought from Deloitte LLP, the Group's independent remuneration consultants. Deloitte was appointed by the Remuneration Committee in 2016 and was selected due to expertise in executive remuneration. During the year Deloitte LLP also provided advice on remuneration disclosure and share plan matters to the Group, and provided support and advice to the Group in relation to transfer pricing services. Deloitte LLP is not connected to any Group company or individual Directors.

The Committee considers that the advice provided by Deloitte as professional remuneration consultants was appropriate, objective and independent. The advice provided by Deloitte did not affect the judgements made by the Committee, which remained independent at all times. Deloitte is a founding member of the Remuneration Consultants Group and adheres to its Code of Conduct in relation to executive remuneration consulting in the UK.

The amount of fees the Group paid to Deloitte for the services provided to the Remuneration Committee in 2025 was £55,367, charged on a time spent basis.

Remuneration Committee report continued

ANNUAL REPORT ON REMUNERATION CONTINUED

2025 Directors' Remuneration Report – audited

The auditor is required to report on the following information up to and including the Statement of Directors' shareholding requirements and share interests.

Single total figure of remuneration for the year ended 31 December 2025 (Audited)

The figures set out in the tables below are the actual amounts of salary or fees earned in the year to 31 December 2025.

Executive remuneration (Fixed)

	Fixed remuneration							
	Salary		Benefits		Salary supplement in lieu of pension/ Employer pension contribution		Total fixed remuneration	
Executive	**2025 £**	2024 £	**2025 £**	2024 £	**2025 £**	2024 £	**2025 £**	2024 £
D Finch	**819,806**	795,850	**40,032**	41,335	**73,782**	71,626	**933,620**	908,811
A Duxbury[1]	**537,950**	285,382	**11,452**	5,052	**48,416**	25,685	**597,818**	316,119
Total	**1,357,756**	1,081,232	**51,484**	46,387	**122,198**	97,311	**1,531,438**	1,224,930

Executive remuneration (Variable)

	Variable remuneration									
	Annual bonus[2]		Value of long-term awards vesting		Value of SAYE options vesting		Value of buy-out awards		Total variable remuneration	
Executive	**2025 £**	2024 £	**2025 £**	2024 £	**2025 £**	2024 £	**2025 £**	2024 £	**2025 £**	2024 £
D Finch	**1,230,498**	1,412,544	**944,633**[3]	208,108[4]	**—**	—	**—**	—	**2,175,131**	1,620,652
A Duxbury	**605,583**	381,673	**—**	—	**—**	—	**619,151**[5]	1,611,521[6]	**1,224,734**	1,993,194
Total	**1,836,081**	1,794,217	**944,633**	208,108	**—**	—	**619,151**	1,611,521	**3,399,865**	3,613,846

	Total	
Executive	**2025 £**	2024 £
D Finch	**3,108,751**	2,529,463
A Duxbury	**1,822,552**	2,309,313
Total	**4,931,303**	4,838,776

1. 2024 figures are from 17 June, the date Andrew Duxbury joined Persimmon.
2. Bonus payable for the financial year. Executive Directors are required to defer 50% of any bonus earned into Persimmon Plc shares which will vest after three years, subject to continued employment. Further information is set out on pages 133 and 134.
3. Dean Finch was granted a PSP award in 2023 which vested by reference to performance over the three years ending 31 December 2025. Further details in relation to the award, including the basis on which the value in the table above is calculated, are set out on page 134.
4. In the 2024 annual report the value of long-term awards vesting for Dean Finch was calculated by reference to the average share price over the final quarter of 2025 (£13.96). In this report, and in line with the reporting regulations, that value has been re-calculated by reference to the share price on the date of vesting of 11 March 2025 (£12.35).
5. The 2025 buy-out awards for Andrew Duxbury reflect awards which remained subject to the satisfaction of performance conditions on joining and which vested by reference to a performance period ending in 2025. Further details in relation to the awards, including the basis on which the value in the table above is calculated, are set out on page 134.
6. The 2024 buy-out awards for Andrew Duxbury reflect the value of awards granted to him in respect of remuneration forfeited when he left his previous employer as detailed in the 2024 Annual Report and Accounts.
   (a) For the period 1 July 2023 to 31 December 2023 he has received a bonus buy-out calculated by reference to the vesting of Galliford Try's bonus for the same period and a maximum award of £201,750 (being 50% of his salary at Galliford Try). Based on the vesting level disclosed in the Galliford Try Annual Report and Accounts this resulted in a bonus buy-out for this period of £188,435. This buy-out bonus will be paid half in cash and half in shares deferred for three years.
   (b) For the period from 1 January until 17 June he has received a bonus buy-out based on up to 100% of £403,500 (Andrew's salary and maximum bonus at Galliford Try), pro-rated for the period. This payment has been determined by reference to Persimmon performance conditions for the 2024 bonus and amounts to £164,366. This bonus buy-out was paid half in cash and half in shares deferred for three years.
   (c) In accordance with the regulations the value of certain share awards granted to Andrew in respect of share awards that he forfeited when he left his previous employer. These amounted to £1,258,720 in aggregate.
   The value of the buy-outs is included in the 2024 single total figure in line with the requirements of the regulations, notwithstanding that they relate to forfeited remuneration from the former employer in respect of a period of four years.

Non-Executive remuneration (Audited)

As Non-Executive Directors only receive fees only this element is shown in the table below.

	Fixed remuneration			
	Salaries and fees		Total	
Chairman	**2025[4] £**	2024 £	**2025 £**	2024 £
R Devlin	**362,247**	351,698	**362,247**	351,698
Non-Executive				
A Aithal[1]	**69,979**		**69,979**	
P Bell[2]	**86,979**	28,653	**86,979**	28,653
A Depledge	**69,979**	67,954	**69,979**	67,954
A Durbin	**98,312**	84,954	**98,312**	84,954
N Mills[3]	**28,653**	84,954	**28,653**	84,954
C O'Shea	**74,979**	72,954	**74,979**	72,954
A Wyllie	**69,979**	67,954	**69,979**	67,954
Total	**861,107**	759,121	**861,107**	759,121

1. Anand Aithal was appointed to the Board on 1 January 2025 and fees are shown from this date.
2. Paula Bell was appointed to the Board on 1 September 2024 and 2024 fees are shown from this date.
3. Nigel Mills resigned from the Board on 1 May 2025 and 2025 fees are show to this date.
4. Non-Executive Director fees can vary based on whether additional duties are required e.g. to chair a Committee or perform the senior independent role. A more detailed explanation of this can be found on page 142.

Additional information for single total figure remuneration table

Benefits

Benefits include car or car allowance, private medical scheme membership, life assurance benefits, income protection scheme membership, professional subscriptions and phone costs. This is in line with other senior employees across the Group.

Directors' pension entitlements

Dean Finch received a salary supplement in lieu of pension, equal to 9% of his base salary. Andrew Duxbury received a total employer pension contribution and salary supplement equal to 9% of his base salary.

Annual bonus 2025

Dean Finch was eligible to earn a bonus up to a maximum of 200% of salary in respect of 2025.
Andrew Duxbury was eligible to earn a bonus up to a maximum of 150% of salary for 2025.

We have set out below details of the performance measures and targets and the extent to which they were satisfied.

Our financial metrics (accounting for 60% of the total) reflect the strong underlying financial health of the Group.

Non-financial metrics (accounting for 40% of the bonus opportunity in total) are important to help the Group to assess our activities in achieving our five key priorities. The non-financial KPIs help drive long-term shareholder value and reflect our values of being customer focused, value driven and delivering excellence. For the customer service and quality it is important to note that the scores start from zero each year meaning that the level of attainment required is a challenging target to meet.

Measure	Weighting	Threshold (20% achievement)	Target (50% achievement)	Maximum (100% achievement)	Outturn	Extent bonus measure met (% of maximum bonus)
PBT[1]	40%	£399.5m	£431.9m	£464.3m	£445.6m	28.4
Pre-land cash generation[2]	20%	£509.9m	£566.6m	£623.2m	£593.7m	14.8
Customer care	15%	See below[3]			Met in part	14.3
Build quality	20%	See below[4]			Met in part	12.5
Health & safety	5%	See below[5]			Met in full	5.0

1. Profit before tax: Profit before tax (before exceptional items and goodwill impairment).
2. Pre-land cash generation: Pre-land cash generation (being net cash inflow before dividends, legacy building provision spend and net land payments) with the outturn calculated as set out below.

	Extent bonus measure met (% of maximum bonus) (£m)
Cash at 31 December 2024:	258.6
Cash at 31 December 2025:	117.0
Decrease in cash:	(141.6)
Add: Dividends paid:	192.1
Net land spend:	541.3
Fire safety spend:	61.1
Less: Exceptional items*	(59.2)
Total	**593.7**

* Exceptional items: FibreNest net sale receipt -£68.1m; Lone Star net payment +£8.9m.

3. Customer care: 10% of the customer measure was achieved by reference to the fraction of operating businesses in the Group rated as 4.15 and above, measured by the results of the HBF Customer Satisfaction Score. 27 of the 29 operating businesses achieved a score of 4.15 or above. 5% of the customer measure was achieved by reference to the Group overall operating at the level required to attain classification as a five-star builder by the HBF, the Group score is 4.30% so this target is achieved in full.
4. Build quality: 5% of the quality score is measured by the fraction of operating businesses in the Group achieving a CQR compliance score of 90% or above. 23 of the 29 operating businesses achieved a score of 90% or above. 5% of the quality score is measured by the fraction of those operating businesses in the Group achieving a CQR build score of 4.15 or above. 20 of the 29 operating businesses achieved a score of 90% or above. 10% of the quality score is based on the results of independent assessments carried out on Persimmon sites by the Group's warranty providers from 1/1/25 to 31/12/25. Targets were set for each warranty provider and the scores weighted based on the proportion of inspections completed by each provider. Targets were set such that an improvement on prior year was required for target performance, with the level of improvement required based on the warranty provider's scoring system. A summary of outturns is shown in the table below.

Provider	% weighting	% of operating companies achieving threshold but below target	% of operating companies achieving target or above	Outturn (% of maximum opportunity available)
NHBC	88.9	14	41	42.9
Premier	10.2	14	67	7.5
LABC	0.9	0	50	0.5

5. Health and safety: Performance was assessed against a matrix encompassing a wide range of factors. Each factor was weighted in terms of materiality reflecting the impact of any infringement and improvement was required to achieve the target level.

Remuneration Committee report continued

ANNUAL REPORT ON REMUNERATION CONTINUED

Additional information for single total figure remuneration table continued

Annual bonus 2025 continued

Half of the bonus earned by the Executive Directors is paid in cash with half deferred into shares for three years. The amount deferred into shares is not subject to any further performance condition. The deferred share award will ordinarily be subject to continued employment.

Taking account of the provisions in the 2024 Code, the Remuneration Committee reviewed incentive outcomes in the context of overall business performance, individual performance and shareholder and workforce context, the Committee was of the view that the bonus outcome was appropriate and there were no grounds for exercising its discretion to amend the scorecard outcome.

Performance Share Plan awards vesting in respect of performance in 2025 (Audited)

A PSP award was granted on 2 May 2023 to Dean Finch. The award was based on performance over the three-year period ended on 31 December 2025.

The award vested at 61.6% and further information is set out below. The award remains subject to a further holding period before it will be released.

The targets and performance against these targets are as follows:

Performance measure	Weighting	Threshold (25% vesting)	Target (50% vesting)	Maximum (100% vesting)	Outturn	Extent PSP measure met (% of maximum)
Relative TSR[1]	35%	Median	—	Upper quartile or above	Above Median	19.2
Average pre-land cash generation over the three year performance period[2&3]	35%	£428.0	£503.0	£579.0	£458.9	12.4
Customer care[4]	20%	75%	—	80%	Above 80%	20.0
Environmental (tonnes CO_2e per home completed)[5]	10%	1.69	1.68	1.67	1.43	10.0

1. Compared to a peer Group of the UK's largest listed house builders: Barratt Redrow plc; Bellway plc; Crest Nicholson Holdings plc; Taylor Wimpey plc; The Berkeley Group Holdings plc; Vistry Group plc. Redrow were removed from the peer group as they de-listed during the performance period due to their acquisition by Barratt Developments (now Barratt Redrow plc).
2. Net cash inflow before capital return and net land payments.
3. Award subject to an underpin based on the return on capital employed over the three years of the performance period assessed by the Remuneration Committee at the time of vesting.

   ROCE = annual underlying profit from operations/average capital employed where:

   - annual underlying profit from operations = 12-month consolidated Group profit before tax, interest, goodwill impairment and exceptional items;
   - average capital employed = average of capital employed during the relevant calendar year; and
   - capital employed = consolidated shareholders' funds, plus consolidated borrowings, less consolidated cash holdings.

   The Committee reviewed the average ROCE over the three-year performance period and concluded it was in line with expectations. Therefore, no adjustments have been made to formulaic outturn of the pre-land cash generation metric.
4. Customer care is based on the Group score as measured by the results of the HBF nine-month Customer Satisfaction Survey question "Would you recommend Persimmon to a friend?" as measured in the period 1 January 2025 to 31 December 2025. The customer care metric is subject to an underpin that the Group is a four-star builder in each of the three years of the performance period. This underpin has been met.
5. Based on Scope 1 and 2 carbon emissions per home completed for the year ending 31 December 2025. The Committee disclosed on page 131 of the 2023 Annual Report and Accounts that, at the end of the performance period, the reduction in carbon over the period would be considered in the round, including looking at our absolute carbon reduction and progression towards our science-based targets. The Committee confirmed that it would exercise its discretion, as appropriate, to ensure that vesting reflects the overall reduction in carbon and progress made over the period, in addition to the reduction in intensity. The Group is ahead of our 2025 Science Based Targets and the Committee determined this element of the award would vest in full.

In the single total figure of remuneration table, the value of these awards is calculated as set out below. As the share price average for the final quarter was below the grant share price no value is attributable to share price growth.

	Number of shares subject to award	Vesting outturn (%)	Vested shares	Value of shares[1] (£)	Dividend equivalent[2] (£)	Total for single total figure of remuneration (£)
D Finch	105,341	61.6	64,900	814,833	129,800	944,633

1. In accordance with the relevant regulations, the value of the purposes of the single total figure of remuneration table is calculated by reference to the average share price over the final quarter of 2025 (£12.56).
2. In accordance with the rules of the PSP, each Executive Director is entitled to a further benefit by reference to dividends on their vested shares. These will be calculated over the period ending at the end of the holding period and delivered in shares. The value in respect of dividend equivalents over the period ended 31 December 2025 is included in the table above.

Operation of recovery provisions

In line with the new UK Corporate Governance Code requirements, the Committee confirms that there was no application of the recovery provisions in the reporting period.

Savings-related share option scheme ('SAYE') (Audited)

The SAYE Scheme is an HMRC approved all-employee savings-related share option scheme. Invitations are issued annually to all employees to apply for the grant of an option under the SAYE. There are no performance conditions attached to options granted under the SAYE. No options were exercised in 2025.

CFO buy-out awards

As disclosed, in the 2024 Annual Report and Accounts, Andrew Duxbury received share buy-out awards to replace remuneration forfeited when he left his previous role. In the single total figure of remuneration table, the value of the award vesting is calculated as set out below.

	Number of shares subject to award	Vested shares	Value of shares (£)	Dividend equivalent[3] (£)	Total for single total figure of remuneration (£)
Long Term Incentive Plan FY 2023 (year of grant 2022)[1]	42,111	40,131	446,056	48,157	494,213
Long Term Incentive Plan FY 2024 (year of grant 2023)[2]	14,743	9,083	114,039	10,899	124,938

1. The vesting of the buy-out award in respect of the FY 2023 LTIP award is included in the single total figure of remuneration table on page 132 because it is no longer subject to performance conditions. Vesting was subject to the satisfaction of the performance conditions applying to the Galliford Try FY 2023 LTIP awards. Based on the vesting level disclosed in the Galliford Try Annual Report and Accounts, these performance conditions were met by 95.3%, so that the buy-out award vested in respect of 40,131 Persimmon shares. For the purposes of the single total figure of remuneration table, the value is the number of vested Persimmon shares subject to the award, multiplied by the share price of £11.12 (being the closing share price on 23 September 2025, the date of vesting of the award). As the share price on the vesting date was below the grant share price no value is attributable to share price growth. The award is subject to a two-year holding period.
2. The vesting of the buy-out award in respect of the FY 2024 LTIP award is included in the single total figure of remuneration table on page 132 because vesting was subject to the satisfaction of the performance conditions applying to the 2023 Persimmon PSP awards. Based on the vesting level disclosed of 61.6%, the buy-out award vested in respect of 9,083 Persimmon shares. For the purposes of the single total figure of remuneration table, the value is the number of vested Persimmon shares subject to the award multiplied by the average share price over the final quarter of 2025 (£12.56). As the share price average for the final quarter was below the grant share price no value is attributable to share price growth. The award is subject to a two-year holding period.
3. In accordance with the PSP rules under which awards were granted, the awards are subject to a further benefit by reference to dividends on the vested shares. These will be calculated over the period ending at the end of the holding period and delivered in shares. The value in respect of dividend equivalents over the performance period of the award is included in the table above.

Payments for loss of office (Audited)

There were no payments for loss of office made in the year.

Payments for loss of office (Audited)

There were no payments to past Directors for the year ended 31 December 2025 where the total payment to the former Director exceeded the threshold set by the Group of £20,000.

Service contracts (Audited)

The Company's policy is for service contracts is set out on page 128.

The Chair's and the Non-Executive Directors' letters of appointment are effective from their date of appointment. Their appointment is initially for a three-year term but is subject to re-election at each AGM and their appointment may be terminated on three months' notice for the Chair and one month's notice for the Non-Executive Directors.

Name	Commencement date	Unexpired term remaining as at 31 December 2025
D Finch	28 September 2020	Terminable on 12 months' notice.
A Duxbury	17 June 2024	Terminable on 12 months' notice.
R Devlin	1 June 2018	Terminable on three months' notice and subject to reappointment at the AGM each year.
A Aithal	1 January 2025	Terminable on one month's notice and subject to reappointment at the AGM each year.
P Bell	1 September 2024	Terminable on one month's notice and subject to reappointment at the AGM each year.
A Depledge	1 May 2023	Terminable on one month's notice and subject to reappointment at the AGM each year.
A Durbin	1 July 2020	Terminable on one month's notice and subject to reappointment at the AGM each year.
C O'Shea	1 May 2023	Terminable on one month's notice and subject to reappointment at the AGM each year.
A Wyllie	4 January 2021	Terminable on one month's notice and subject to reappointment at the AGM each year.

Performance Share Plan awards made during the year (Audited)

PSP awards were granted on 24 March 2025 to Dean Finch and to Andrew Duxbury.

	Type of award	Basis of award[1]	Threshold level of vesting	Face value of award (£)	Performance period[2]	Shares subject to option
D Finch	Nil-cost option	Percentage of salary – 200%	25%	1,615,222	01/01/2025 – 31/12/2027	135,040
A Duxbury	Nil-cost option	Percentage of salary – 200%	25%	1,060,000	01/01/2025 – 31/12/2027	88,621

1. Awards were calculated based on the percentage of salary and the average of the closing share prices on each of the five dealing days before the grant of the award (£11.96).
2. The awards will vest in 2028 based on the achievement of the performance conditions but are then subject to a further two-year holding period before the shares can be released.

The award is subject to the performance conditions set out below.

Performance measure	Weighting	Threshold (25% vesting)	Target (50% vesting)	Maximum (100% vesting)
Relative TSR[1]	23%	Below median	—	Upper quartile or above
Earnings per share (EPS)[2]	23%	100.8p	112.0p	123.2p or above
Average pre-land cash generation over the three-year performance period[3&4]	24%	£619,903K	£729,298K	£838,639K
Customer care[5]	20%	Group HBF score is 4.15 or above	Group HBF score is 4.20 or above	Group HBF score is 4.25 or above
Carbon reduction[6]	10%	22,273 tonnes CO_2e from operations	—	20,045 tonnes CO_2e or below from operations

1. Compared to a peer group comprising those companies in the FTSE 51-100 (excluding financial services) together with the major housebuilders that do not fall within this group at the date of grant. The housebuilders are Barratt Redrow plc, Bellway plc, Crest Nicholson Holdings plc, Taylor Wimpey plc, The Berkeley Group Holdings plc and Vistry Group.
2. The EPS target is based on 2027 underlying EPS.
3. Net cash inflow before dividends, legacy building provision spend and net land payments.
4. A ROCE underpin has been maintained for the pre-land cash metric. This will be assessed by the Remuneration Committee at the time of vesting based on average ROCE over the performance period. ROCE = annual underlying profit from operations/average capital employed where:
   - annual underlying profit from operations = 12-month consolidated Group profit before tax, interest, goodwill impairment and exceptional items;
   - average capital employed = average of capital employed during the relevant financial year; and
   - capital employed = consolidated shareholder funds, plus consolidated borrowings, less consolidated cash holdings.
5. Based on Group combined HBF score related to a five-star rating score. The Remuneration Committee reserves discretion to increase the above scores should the HBF determine that a score higher than 4.20 is required to achieve five-star status.
6. Based on Scope 1 and 2 carbon emissions from Group operations for the year ending 31 December 2027, measured in tonnes of CO_2e from operations and determined consistently with the Group's science-based targets.

Remuneration Committee report continued

ANNUAL REPORT ON REMUNERATION CONTINUED

Directors' share option scheme interests (Audited)

	Scheme	Total interests outstanding at 31 December 2024	Granted in year	Acquired in year[1]	Lapsed in year	Exercise price/ market price at date of award	Interests without performance conditions	Interests with performance conditions	**Total interests outstanding at 31 December 2025**	Options vested but unexercised	Latest vesting date
D Finch	PSP 2020	10,520	—	10,520	—	2,411p	—	—	**—**		—
	PSP 2021	7,021	—	—	—	2,953p	7,021	—	**7,021**	7,021[2]	—
	PSP 2022	64,653	—	—	51,723	2,310p	12,930	—	**12,930**	12,930[3]	—
	PSP 2023	105,341	—	—	—	1,276p	—	105,341	**105,341**		Spring 2026
	PSP 2024	120,351	—	—	—	1,303p	—	120,351	**120,351**		Spring 2027
	PSP 2025	—	135,040	—	—	1,196p	—	135,040	**135,040**		Spring 2028
	2021 Deferred Bonus	30,583	—	30,583	—	2,192p	—	—	**—**		Spring 2025
	2022 Deferred Bonus	42,796	—	—	—	1,270p	42,796	—	**42,796**		Spring 2026
	2023 Deferred Bonus	48,787	—	—	—	1,304p	48,787	—	**48,787**		Spring 2027
	2024 Deferred Bonus	—	59,854	—	—	1,180p	59,854	—	**59,854**		Spring 2028
A Duxbury	Annual Bonus Plan ('DBP')	13,909	—	13,909	—	1,361p	—	—	**—**		—
	Annual Bonus Plan ('DBP')	3,998	—	—	—	1,361p	3,998	—	**3,998**		Sep–26
	Long Term Incentive Plan FY 2022	48,770	—	—	—	1,361p	48,770	—	**48,770**	48,770[4]	—
	Long Term Incentive Plan FY 2023	42,111	—	—	1,980	1,361p	40,131	—	**40,131**	40,131[5]	—
	Long Term Incentive Plan FY 2024	14,743	—	—	—	1,361p	—	14,753	**14,743**		Spring 2026
	PSP 2024	73,376	—	—	—	1,445p	—	73,376	**73,376**		Spring 2027
	PSP 2025	—	88,621	—	—	1,196p	—	88,621	**88,621**		Spring 2028
	2024 Deferred Bonus	—	31,122	—	—	1,180p	31,122	—	**31,122**		Spring 2028

1. Shares exercised during the year. In accordance with the Directors' Remuneration Policy, dividend equivalents accrued over the period up to release were added to the award on exercise.
2. Shares vested during 2024 and entered a two-year holding period. The shares will be released to the Executive Director at the end of the holding period.
3. Shares vested during 2025 and entered a two-year holding period. The shares will be released to the Executive Director at the end of the holding period.
4. Shares vested during 2024 and entered a two-year holding period. The shares will be released to the Executive Director at the end of the holding period.
5. Shares vested during 2025 and entered a two-year holding period. The shares will be released to the Executive Director at the end of the holding period.

All of the above represent share options and were granted for no financial consideration.

Statement of Directors' shareholding requirements and share interests (Audited)

The share ownership requirements for the Executive Directors serving during the year and the share interests of the Directors and of their connected persons in the ordinary share capital of the Group are as shown below. The shareholding requirements set out below.

Director	Shareholding requirement	**No. of shares and share awards that count towards shareholding requirement at 31 December 2025**	**Percentage of base salary held at 31 December 2025 (including shares held by connected persons and shares net of assumed tax for share awards which are no longer subject to performance conditions)[1&2]**	**Requirement met[2]**	**Shareholding at 31 December 2025[4] (or if earlier, date of leaving the Board)**	31 December 2024 (or if later, date of joining the Board)
D Finch	4 times salary[2]	**143,193**	**234%**	**No**	**52,358**	24,078
A Duxbury	4 times salary[2]	**83,907**	**209%**	**No**	**18,176**	10,157
Chair						
R Devlin	N/A	**–**	**–**	**–**	**32,575**	32,575
Non-Executives						
A Aithal	N/A	**–**	**–**	**–**	**1,000**	0
P Bell	N/A	**–**	**–**	**–**	**0**	0
A Depledge	N/A	**–**	**–**	**–**	**0**	0
A Durbin	N/A	**–**	**–**	**–**	**0**	0
N Mills[3]	N/A	**–**	**–**	**–**	**716**	716
C O'Shea	N/A	**–**	**–**	**–**	**–**	0
A Wyllie	N/A	**–**	**–**	**–**	**1,012**	1,012
Total					**105,837**	68,893

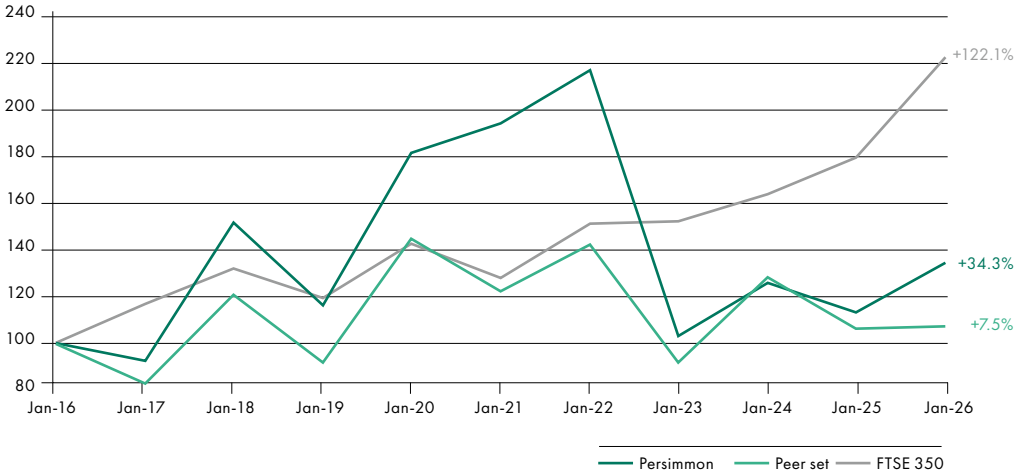
1. Calculated based on the closing price of £13.59 at 31 December 2025 and on base salary at 31 December 2025 (or if earlier date of leaving the Board).
2. The Committee expects that a holding with a value of equal to two times salary will be achieved within five years of appointment, with the balance of the requirement acquired within a period agreed with the Chair. This element of the requirement has been met.
3. N Mills resigned from the Board on 1 May 2025.
4. The beneficial holdings at 31 December 2025 of Directors in office at that point were 105,121 shares (excluding N Mills).

The beneficial holdings at 31 December 2025 of the Directors in office at that point were 105,121 shares, representing 0.03% of the Group's issued share capital as at that date. There have been no changes in these interests between 31 December 2025 and 8 March 2026.

The Committee has an agreed post-employment shareholding requirement, details of which are included in the Directors' Remuneration Policy on page 127. There are no share ownership requirements for the Chair and Non-Executive Directors.

Total shareholder return

We have chosen to compare the Group's total shareholder return performance with that of the FTSE 350, being a broad index of the UK's largest companies and with the largest UK listed house builders, being the Group's peer group. The graph shows a hypothetical £100 holding in the Group's shares over ten years, relative to the FTSE 350.



Remuneration Committee report continued

ANNUAL REPORT ON REMUNERATION CONTINUED

Group Chief Executive remuneration 2016 to 2025

Year	Chief Executive	Single total figure of remuneration £	Annual bonus paid against maximum opportunity	PSP/LTIP awards vesting against maximum opportunity
2025	D Finch	3,108,751	1,230,498	61.6%
2024	D Finch	2,529,463	88.74%	20%
2023	D Finch	2,263,014	85.16%	14.3%
2022	D Finch	2,143,563	72.78%	58.72%
2021	D Finch[1]	2,578,902	92%	–
2020	D Finch/D Jenkinson[2]	658,212	–	–
2019	D Jenkinson	672,998	–	–
2018	J Fairburn	38,967,197	–	100%
2017	J Fairburn	45,739,514	95.7%	100%
2016	J Fairburn	2,123,692	97.3%	–

1. The increase in the CEO single total figure of remuneration between 2020 and 2021 reflects: (1) that Executive Directors' bonuses for 2020 were forgone; and (2) the inclusion in the 2021 single total figure of remuneration of a buy-out award granted to Dean Finch.
2. This is the total remuneration for Dave Jenkinson, who was Group Chief Executive until 20 September 2020, and remuneration for Dean Finch from 28 September 2020, the date he became Group Chief Executive.

The wider workforce

When making decisions about reward for the Executive Directors and Senior Executive Group the Remuneration Committee takes account of the reward principles across the Group. Fundamental to this are our beliefs that all employees should be treated fairly, as evidenced by our status as an accredited Living Wage Employer, and that all employees should have the opportunity to share in the success of the business as shown through extensive participation in bonus, commission and share plans.

In 2025 a base pay increase of 3% was agreed. There were also a significant number of internal promotions which resulted in pay increases, demonstrating the opportunities for career development and progression with the Group.

We also continue to invest in our wider employee population through training and development opportunities and through the work being carried out on diversity and inclusion. We also continue to focus on supporting our employees' wellbeing through our Employee Assistance Programme, our mental health counsellors and other initiatives such as our Persimmon communities. All of this together is aimed at improving the overall experience of being a Persimmon employee. Further information on this can be found on pages 25 to 27.

An overview of our Reward Policy for salaried employees and how this cascades down the business is shown below.

	Executive Directors	Senior Executive Group	Senior management	Management	Salaried employees
Competitive base salary	✓	✓	✓	✓	✓
Annual bonus	✓	✓	✓	✓	✓
PSP	✓	✓	✓	✓	✓*
All-employee share plan	✓	✓	✓	✓	✓
Pension	✓	✓	✓	✓	✓
Car/car allowance	✓	✓	✓	✓	✓*
Private health cover	✓	✓	✓	✓	✓*

* Dependent on role and/or job grade.

Employee engagement

The Committee Chair met with the Employee Engagement Panel during 2025 to explain how executive remuneration aligns with wider Group pay policy. The Employee Engagement Panel outcomes are reported to the Board and meetings are attended by the Workforce Non-Executive Director. The members of the Employee Engagement Panel cascade messages more broadly to the workforce ensuring two-way engagement. The Committee tracks and discusses a number of workforce related statistics via an HR dashboard of Group-wide workforce statistics and trends. The Committee and Board are informed of the outcomes of Employee Engagement Surveys which are undertaken annually. Further information on our interaction with the workforce can be located on page 27.

The Remuneration Policy for the workforce is given due consideration when determining the remuneration of the Executive Directors.

Pay ratios

The table below compares the single total figure of remuneration for the Group Chief Executive with that of employees who are paid at the 25th percentile, 50th percentile and 75th percentile of the Group's employee population and also shows the total pay and benefits at quartile points.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2025	Option B	84:1	75:1	47:1
2024	Option B	66.1	59.1	40.1
2023	Option B	82:1	52:1	32:1
2022	Option B	75:1	57:1	37:1
2021	Option B	99:1	60:1	45:1
2020[1]	Option B	28:1	17:1	14:1
2019	Option B	23:1	20:1	15:1

1. The pay ratio for 2020 is based on the aggregate of the remuneration earned by Dave Jenkinson and Dean Finch for the period each was CEO during 2020.

The median ratio for 2025 is 75. The Company considers that the median pay ratio for 2025 is consistent with the pay, reward and progression policies for the Company's UK employees taken as a whole (albeit that the total remuneration pay ratio may increase going forward depending on the performance of the Company which will impact the levels of bonus and PSP payable to Executive Directors).

The Company adopted 'Option B' from The Companies (Miscellaneous Reporting) Regulations 2018. The latest available gender pay gap data (i.e. from April 2025) was used to identify the best equivalents in respect of each year for three Group employees whose hourly rates of pay were at the 25th, 50th and 75th percentiles of all Group employees. The Company adopted Option B because it was the most practical approach to total calculation of these ratios taking into account the availability of data, and because it means that the data used to calculate the Company's gender pay gap and CEO ratios is applied on a consistent basis. The full time equivalent total pay and benefits figures for the three employees at each percentile were determined with reference to the relevant year ended 31 December. A small number of employees at either side of the quartile points identified from the gender pay gap data were also considered, together with their corresponding full time equivalent total pay and benefits figures to ensure that the employees identified at each of the three percentile points are reasonably representative of each quartile. Adjustments were made in line with the regulations to ensure the data is reasonably representative.

No components of pay have been omitted. The Committee understands that the three employees represent the relevant percentiles, and each was remunerated in line with the Group remuneration policies.

The CEO pay is the single total figure of remuneration for the relevant year, as stated in the Group Chief Executive remuneration 2016 to 2025 table on page 138.

The total salary, and pay and benefits of employees who are paid at the 25th percentile, 50th percentile and 75th percentile is shown below:

Year	CEO	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2025 total pay and benefits	£3,108,751	£37,053	£41,426	£66,517
2025 salary	£819,806	£29,435	£32,480	£49,517
2024 total pay and benefits	£2,550,366	£38,539	£43,325	£63,730
2024 salary	£795,850	£33,495	£36,638	£52,705
2023 total pay and benefits	£2,252,464	£27,326	£43,373	£69,381
2023 salary	£746,750	£25,183	£40,173	£48,000
2022 total pay and benefits	£2,143,066	£28,644	£37,314	£58,147
2022 salary	£746,750	£25,779	£33,120	£44,075
2021 total pay and benefits	£2,578,902	£26,005	£43,306	£57,485
2021 salary	£725,000	£21,178	£33,551	£46,000
2020 total pay and benefits	£658,212	£23,748	£39,645	£47,828
2020 salary	£561,842	£21,608	£36,297	£38,300
2019 total pay and benefits	£672,998	£29,500	£33,409	£44,728
2019 salary	£511,625	£26,667	£19,425	£27,726

Gender pay gap

At the measurement date of April 2025 the median Gender Pay Gap for the Group was 11.2% (2024: 21.3%). Changes in the composition of our workforce and in particular an increase in the percentage of females promoted and recruited into senior roles has accounted, in part, for the change. Whilst there is a higher proportion of men working in the Group, the percentage of females has grown over the last five years, as has the number of females in senior roles and in some of the more under-represented functions, such as commercial and land. We continue to focus on attracting a more diverse workforce and retaining and developing the talent we have from under-represented groups. The Group has set gender diversity targets, more information on our work in this area can be found on page 27.

We introduced a quarterly equality, diversity and inclusion data dashboard from April 2024 to help track progress and identify areas for improvement and focus. Further information on our equality, diversity & inclusion strategy can be found on page 27. Alongside internal enhancements to monitoring and oversight, evolving pay transparency regulations are under review, and we welcome potential future enhancements.

Remuneration Committee report continued

ANNUAL REPORT ON REMUNERATION CONTINUED

Directors' change in remuneration

Set out below is a comparison of the change in remuneration of each of the Company's Directors from 2020 to 2025, with the change in remuneration of Persimmon Plc's employees. As Persimmon Plc has a relatively small number of employees, we have also chosen to compare the change in remuneration with the Group's salaried employees (the same comparator group as we have used in previous years).

	Salary/fees					Bonus					Benefits				
	2024/25	2023/24	2022/23	2021/22	2020/21	**2024/25**	2023/24	2022/23	2021/22	2020/21[1]	**2024/25**	2023/24	2022/23	2021/22	2020/21
Average of Persimmon Plc's employees	**5.4%**	6%	3.7%	31.4%	5%	**19.7%**	47.8%	-10.7%	96.3%	21%	**-9.3%**	-10.3%	10.1%	-8.2%	2%
Average of Group salaried employees	**4.2%**	4.5%	6.1%	7.3%	5%	**15.3%**	24.9%	4.9%	18.7%	21%	**-3.0%**	-13%	6.1%	1.9%	2%
D Finch[2]	**3%**	7%	0%	3%	0%	**-13%**	11%	17%	-19%	N/A	**-3%**	-9%	-3%	8%	-7%
A Duxbury[3]	**3%**					**-14%**					**23%**				
R Devlin	**3%**	7%	0%	10%	5%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	—	—
P Bell[4]	**3%**					**N/A**					**N/A**				
A Depledge[5]	**3%**	5%	—	—	—	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	—	—
A Durbin[6]	**16%**	4%	0%	9%	5%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	—	—
C O'Shea[5]	**3%**	12%	—	—	—	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	—	—
A Wyllie[7]	**3%**	5%	0%	8%	—	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	—	—

1. Executive Directors' bonuses for 2020 were forgone such that the percentage change between 2020 and 2021 is not considered a meaningful comparison.
2. The 2020 remuneration for D Finch has been annualised for the purposes of the above table to enable a valid comparison.
3. The 2024 Persimmon remuneration for A Duxbury been annualised for the purposes of the above table to enable a valid comparison.
4. The 2024 remuneration for P Bell has been annualised for the purposes of the above table to enable a valid comparison.
5. The 2023 remuneration for A Depledge and C O'Shea has been annualised for the purposes of the above table to enable a valid comparison.
6. The 2025 change in remuneration for A Durbin reflects her appointment as Senior Independent Director from 1 May 2025.
7. The 2021 remuneration for A Wyllie has been annualised for the purposes of the above table to enable a valid comparison.
8. A Aithal joined the Board on 1 January 2025 and so is excluded from this table as there is no prior year comparator. N Mills resigned from the Board on 1 May 2025 and has been excluded from this table.

As noted above a 3% salary increase was agreed for the wider workforce in July 2025. There were also a number of promotional increases during the year. Due to timing issues the bonus comparison for employees is based on the actual amount paid in 2025 versus the actual amount paid in the 2024 financial year.

Relative importance of spend on pay

Set out below is the amount spent on remuneration for all employees of the Group (including for Executive Directors) and the total amounts paid in distributions to shareholders over the year.

	2025 £m	2024 £m	Difference in spend £m	Difference as a percentage
Remuneration for all employees[1]	**278.9**	257.7	20.8	8.1
Total dividend payments made	**192.1**	191.8	0.3	0.2

1. Figures are taken from note 9 of the accounts relating to staff and employee costs except that employer social security costs and IFRS 2 Share-based Payment charges have been removed.

Statement of voting at general meeting

The Directors' Remuneration Policy, effective from 26 April 2023, was put to shareholders for approval at the 2023 AGM. The 2024 Annual Report on Remuneration was put to shareholders for approval at the 2025 AGM. The voting at each AGM was conducted on a poll. The table below summarises the result of the poll votes on the 2023 Directors' Remuneration Policy and the 2024 Annual Report on Remuneration.

	Votes for	% for	Votes against	% against	Total votes cast	Votes withheld
Approval of the Directors' Remuneration Policy – 26 April 2023	202,837,628	98.7	2,691,456	1.3	205,529,084	3,199,709 (representing 1.00% of the issued share capital)
Approval of the Annual Report on Remuneration – 25 April 2025	186,819,732	98.19	3,453,064	1.81	190,272,796	78,053 (representing 0.02% of the issued share capital)

Statement of Remuneration Policy implementation 2026

A summary of the 2026 remuneration for each Executive Director is set out below:

Group Chief Executive pay	Chief Financial Officer pay
• Base salary of £832,000 (review date 1 July)	• Base salary £545,900 (review date 1 July)
• Pension salary supplement of 9% (in line with the pension of salaried employees)	• Pension/salary supplement of 9% (in line with the pension of the salaried employees)
• Benefits including life assurance, car allowance and phone costs	• Benefits including life assurance, car allowance and phone costs
• Maximum annual bonus opportunity of 200% of base salary	• Maximum annual bonus opportunity of 150% of base salary
• Maximum PSP award of 200% of base salary	• Maximum PSP award of 200% of base salary

Annual bonus

Each Executive Director will be eligible for consideration of a bonus in respect of 2026, with maximum opportunities as referred to above. The majority of the bonus will continue to be based on financial metrics, being profit before tax (30%) and cash generation (30%). As these financial targets are commercially sensitive they will be disclosed in next year's Remuneration Report. As we continue to improve our build quality and customer care, we have applied an appropriate level of non-financial cultural and ESG metrics which are key to our future success. Delivery of a stretching target level of performance will result in the Executive Director receiving 50% of the maximum award. 50% of any bonus earned will be deferred into shares for three years.

In 2026 there will be three non-financial metrics: 15% of bonus will be based on customer care measures, 20% will be based on quality, and 5% will be based on health and safety. The customer care metric will be based on the strategy to retain our scores at the level required for a five-star rating based on the HBF Customer Satisfaction Survey which incorporates a combined score based on four survey questions. The quality measure will be based on the results of independent warranty provider inspections to drive continued improvement in build quality. These scores reset to zero at the start of each year meaning that attainment of the targets remains stretching.

Health and safety will be based on performance assessed against a weighted health and safety index and will support our strategic aim to move from compliance to excellence.

Performance Share Plan awards

A PSP award will be made in March to the Group Chief Executive and Chief Financial Officer equal to 200% of base salary, with vesting subject to the performance conditions set out below.

The three-year performance period will run from 1 January 2026 to 31 December 2028. Awards will vest in 2029 subject to meeting the performance conditions, with a further two-year holding period before the shares can be released to the Executive Director.

PSP performance metrics are aligned with the Company's strategy to balance capital retained for investment in the business with returns to shareholders and future growth, and with relative TSR performance to link Executive Directors' reward to outperformance against the FTSE 51-100 (excluding financial services) together with the major housebuilders if they do not fall within this group. As the business continues to evolve and grow, we have retained a measure based on the HBF Customer Satisfaction Survey linked to the Company's purpose to build high-quality homes for our customers, and an environmental metric linked to reducing our carbon emissions. Collectively, these are important factors in ensuring overall business performance, sustainability and reputation.

PSP performance metrics and targets – financial measures

Financial metrics are based on relative TSR (23% of the overall award), EPS (23% of the overall award) and cash generation subject to a ROCE underpin (24% of the overall award).

Our TSR metric remains unchanged from 2025. The small number of comparator housebuilders means that using the FTSE 51-100 in addition to sector peers provides a robust and relevant comparator group.

Our EPS metric remains unchanged from 2025. We believe that this is an important metric to align the awards to our strategy for growth.

Remuneration Committee report continued

ANNUAL REPORT ON REMUNERATION CONTINUED

PSP performance metrics and targets – financial measures continued

We will continue to use a pre-land measure for cash generation. This is directly linked to strategy, encourages optimisation of sales volumes and prices of homes and encourages good cost control. It is also a measure which is easily understood by our management teams and therefore has a strong line of sight for them as participants in the PSP. Details of the targets are shown below:

Performance measure	Weighting	Threshold (25% vesting)	Target (50% vesting)	Maximum (100% vesting)
Relative TSR[1]	23%	Median	–	Upper quartile or above
EPS[2]	23%	117.3p	123.4p	129.6p
Average pre-land cash generation[3&4] over the three-year performance period (£m)	24%	688.3	744.1	799.1

1. Compared to a peer group comprising those companies in the FTSE 51-100 (excluding financial services) together with the major housebuilders that do not fall within this group at the date of grant. The housebuilders are Barratt Redrow plc, Taylor Wimpey plc, Vistry Group plc, Bellway plc, The Berkeley Group plc and Crest Nicholson Holdings plc.
2. The EPS target is based on 2028 underlying EPS.
3. Net cash inflow before dividends, legacy building provision spend and net land payments.
4. A ROCE underpin has been maintained for the pre-land cash metric. This will be assessed by the Remuneration Committee at the time of vesting based on average ROCE over the performance period. ROCE = annual underlying profit from operations/average capital, where:
   - annual underlying profit from operations = 12-month consolidated Group profit before tax, interest, goodwill impairment and exceptional items;
   - average capital employed = average of capital employed during the relevant calendar year; and
   - capital employed = consolidated shareholders' funds, plus consolidated borrowings, less consolidated cash holdings.

PSP performance metrics and targets – cultural and environmental measures

For the 2026 awards, we will assess the customer care measure by reference to the overall Group scores because this aligns all participants with an improvement in Group performance. The target is aligned to achieving five-star status under the HBF Customer Satisfaction Survey, based on the methodology first rolled out in 2025. The use of a combined score from four questions ensures that this captures a broad measure of customer satisfaction and is a critical part of our strategy. The Committee retains the discretion to amend the relevant target should the HBF announce a change to the score required in order to be awarded five-star status in March 2029 (the relevant measurement date). The carbon reduction targets align with our Scope 1 and 2 absolute carbon reduction commitments and are based on the trajectory required to meet our 2030 commitment. Details are provided below:

Performance measure	Weighting	Threshold (25% vesting)	Target (50% vesting)	Maximum 100% vesting)
Customer care HBF five-star score	20%	Group HBF score is 4.21	–	Group HBF score is 4.26 or above
Environmental – Scope 1 and 2 carbon reduction	10%	20,864 tonnes CO_2e from operations	–	18,778 tonnes CO_2e or below from operations

Discretion

The Remuneration Committee has discretion to override formulaic outcomes in relation to annual bonus awards and PSP awards. In line with market practice this includes the ability to adjust for exceptional or unforeseen items in order that performance is assessed on a fair and consistent basis. Any such exercise of discretion would be disclosed in the subsequent Directors' Remuneration Report.

Chair and NED fees

The Board as a whole determines the fees of the Non-Executive Directors, with the Non-Executive Directors being recused from that discussion and decision. The Remuneration Committee determines the Chair's fees. In line with Executive Directors and the wider workforce the Non-Executive Director and Chair fees will typically be reviewed with an effective increase date of 1 July. In July 2024 the Chair fee and the fee for other Non-Executive Directors increased by 3%. Any increases to fees agreed in July 2025 are anticipated to be in line with or below those given to the wider workforce.

The fees applicable from 1 July 2025 are set out below, together with a comparison to the fee up to 1 July 2024.

	Fees from 1 July 2025	Fees to 1 July 2025
Chairman	**£367,600**	£356,895
Non-Executive Director	**£71,000**	£68,958
Senior Independent Director	**£17,000**	£17,000
Audit & Risk Committee Chair	**£17,000**	£17,000
Nomination Committee Chair	**£17,000**	£17,000
Remuneration Committee Chair	**£17,000**	£17,000
Workforce Engagement NED fee	**£10,000**	£10,000

Annemarie Durbin
Chair of the Remuneration Committee
9 March 2026

Statement of Directors' responsibilities

In respect of the Annual Report and the financial statements

The current Directors are listed on pages 86 to 87 and are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations. Such law requires the preparation of the Group financial statements in accordance with UK adopted International Accounting Standards and the preparation of the Parent Company financial statements in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied in accordance with section 408 of the Companies Act 2006.

Company law requires that Directors prepare Group and Parent Company financial statements for each financial year. However, 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 their 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 and prudent;
- state whether for the Group financial statements they have been prepared in accordance with UK adopted International Accounting Standards, and for the Parent Company financial statements that they have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied in accordance with section 408 of the Companies Act 2006; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Parent Company will continue in business.

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 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 also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

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 issuer and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and Directors' 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.

On behalf of the Board,

Dean Finch
Group Chief Executive
9 March 2026

Andrew Duxbury
Chief Financial Officer
9 March 2026

Independent auditor's report

To the members of Persimmon Plc

Opinion

In our opinion:

- Persimmon plc's group financial statements and parent company financial statements (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 adopted international accounting standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Persimmon plc(the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise:

Group	Parent company
Consolidated balance sheet as at 31 December 2025	Balance sheet as at 31 December 2025
Consolidated income statement for the year then ended	Statement of changes in equity for the year then ended
Consolidated statement of comprehensive income for the year then ended	Statement of cash flows for the year then ended
Consolidated statement of changes in equity for the year then ended	Related notes 1 to 34 to the financial statements including material accounting policy information
Consolidated statement of cash flows for the year then ended	
Related notes 1 to 34 to the financial statements, material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with section 408 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Group's financial close process, confirming our understanding of management's going concern assessment process;
- Obtaining management's going concern assessment, including the cash forecasts and covenant calculations for the going concern period which covers the period to 30 June 2027 and testing them for arithmetic accuracy. Management prepared a base case scenario that assumes an increase in volumes and selling prices from those achieved in 2025 and a critical but plausible downside scenario which reflects the initial impact of the prior global financial crisis for 2026, with gradual recovery. Additionally, management has prepared an extreme scenario reflecting the impact of the global financial crisis for 2026, but with no recovery, and a reverse stress test;
- Challenging the appropriateness of the key assumptions in management's base case forecast and comparing them to the Group's historic performance and industry predictions;
- Challenging management's consideration of a reasonable worst-case scenario (the critical but plausible downside), evaluating whether the impact of a prolonged downturn in trading had been appropriately included and whether climate risk may materially impact the going concern assessment;
- Considering management's reverse stress test in order to identify and understand what factors and how severe a downside scenario would have to be to result in the Group utilising all liquidity or breaching a financial covenant during the going concern period;
- Assessing the plausibility of management's downside scenarios, including the reverse stress test, by comparing to third-party data, including industry predictions, for indicators of contradictory evidence;
- Considering the amount and timing of mitigating factors under the Group's control that could preserve cash if required; and
- Reviewing the Group's going concern disclosures included in the annual report in order to assess whether they were appropriate and in conformity with the reporting standards.

Conclusions relating to going concern continued

In each of the plausible scenarios modelled (the base case and critical downside), the Group maintains headroom throughout the Going Concern period to 30 June 2027 through use of cash at bank and its £750m Revolving Credit Facility (Expiring 6 July 2030) and £250m loan maturing 31 January 2028. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period 30 June 2027.

In relation to the group and parent company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	• We performed an audit of the complete financial information of one component and audit procedures on specific balances for a further two components and central procedures on intercompany, equity, tax and cash
Key audit matters	• Revenue recognition • Inventory valuation and profit recognition • Legacy buildings provision
Materiality	• Overall group materiality of £22.1m which represents 5% of adjusted profit before tax.

An overview of the scope of the parent company and group audits

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We identified three components as individually relevant to the Group due to relevant events and conditions underlying the identified risks of material misstatement of the group financial statements being associated with the reporting components.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the group significant financial statement account balance.

We then considered whether the remaining group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the group financial statements.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the three components selected, we designed and performed audit procedures on the entire financial information of one component ("full scope component"). For two components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ("specific scope components").

Across these three components, we performed centralised audit procedures on intercompany, equity, tax and cash.

Our scoping to address the risk of material misstatement for each key audit matter covered 100% of each key audit matter.

Involvement with component teams

All audit work performed for the purposes of the audit was undertaken by the Group audit team.

Climate change

Stakeholders are increasingly interested in how climate change will impact companies. The Group has determined that the most significant future impacts from climate change on its operations will be from the various factors explained on pages 59 to 69 in the required Task Force On Climate Related Financial Disclosures and on page 73 in the principal risks and uncertainties. They have also explained their climate commitments on pages 68 and 69. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information". In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in its basis of preparation accounting policy note (Note 2), its articulation of how climate change has been reflected in the financial statements. There are no significant judgements or estimates relating to climate change in the notes to the financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating whether management's assessment of the impact of the physical climate risk of flooding has been appropriately reflected in inventory asset values and whether the impact of costs associated with the Group's planned transition to net zero have been appropriately reflected in the projected financial information used for the assessment of the Group's viability and impairment. As part of this evaluation, we performed our own risk assessment to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Independent auditor's report continued

To the members of Persimmon Plc

Based on our work, whilst we have not identified the impact of climate change on the financial statements to be a standalone key audit matter, we have considered the impact on the following key audit matter: inventory valuation. Details of the impact, our procedures and findings are included in our explanation of the key audit matter below.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Inventory valuation and profit recognition **Inventory (Land): £2,592.0m (2024: £2,265.6m)** **Inventory (WIP): £1,634.0m (2024: £1,426.3m)** **Cost of Sales: £3,134.8m (2024: £2,620.3m)** *Refer to the Audit Committee Report (page 108); Accounting policies (pages 156 to 160); and Note 19 of the Consolidated Financial Statements (page 168)* There is a risk that the margin used to recognise profit on each development is incorrect and that the carrying value of WIP and land could be subject to impairment write downs. The carrying value of inventory is determined by reference to a number of assumptions inherent in the site forecasts, such as costs to complete and expected selling price, that are used to calculate the expected margin on each development and the cost of sale therefore recorded when a plot is sold.	We performed the following procedures over this risk area: • We performed walkthroughs to understand the key processes and identify key controls; • We obtained an understanding of the relevant controls governing inventory costing and expenditure, ongoing margin review and land acquisition. We assessed design and implementation of key controls over the management's bi-monthly valuation process; • We performed a substantive analytical review for the total cost of sales balance based on an overall group margin expectation; • We performed procedures using EY bespoke data analytics tools to analyse all the sites completed in the year. These were added to completed sites from 2024 and 2023 to assess the accuracy of management's historical forecasting. We used this analysis to focus the work we performed on the appropriateness of profit recognised on sales made; • For a sample of active sites at year end, we challenged management's assumptions of costs to come and expected selling prices by tracing a sample to the supporting evidence and considering relevant industry forecasts and wider economic factors (e.g. inflation trends); • For a sample of entries to cost of sales in the year, we checked that the margin recorded ties to the latest projected margin; • We performed sensitivity analysis for a sample of low margin sites held in WIP at year end; and • For a sample of land assets, we assessed the impairment risk due to potential flooding considering their location within the UK	Based on our audit procedures we have concluded that the inventory balance and profit recognised in the year are not materially misstated.

Key audit matters continued

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Appropriateness of legacy buildings provision **Legacy buildings provision: £226.0m (2024: £235.3m)** *Refer to the Audit Committee Report (page 108); Accounting policies (pages 156 to 160); and Note 23 of the Consolidated Financial Statements (page 170)* There is estimation uncertainty and subjectivity in determining the most likely costs which will be required to remediate affected properties based on the latest legal interpretation and government guidance. There is a risk that the legacy building provision is misstated either through management bias or error. The key estimates we identified were in respect of the costs to settle the obligation and the assumptions used by management in relation to discounting and inflation.	We performed the following procedures over this risk area: • We performed walkthroughs to understand the key process and identify key controls; • We read and understood the relevant laws and regulations, including published government guidance; • We read management's accounting paper to understand the methodology applied and management's rationale for recognition of the provision; • We obtained management's provision schedule, which showed the brought forward position and the current year movements relating to provision utilisation, new sites identified, or additional costs estimated as a result of new tender information or changes in scope identified as the remediation work progress; • On a sample basis, we tested the movements in individual development provisions. For new tenders, we have agreed the expected costs to supporting third party documentation (i.e. subcontractor tenders). For those untendered, we will understand why these are still untendered, and then assess management's estimate by reference to cost per square foot of those already tendered; • On a sample basis, we checked actual spend against the prior year estimates to determine the accuracy of management's estimate. We derived a percentage deviation and applied it to the current year estimate to assess the impact; • We performed sensitivity analysis on the provision in order to establish whether these could give rise to a material variances; • We obtained completion report and certificates for all sites which are noted as complete or assessed with no further work; • We compared Persimmon's remediation costs per building through to the remediation costs per building of other housebuilders; • To assess completeness, we performed a media search of buildings in scope of the Building Safety regulation that are linked to Persimmon building work to see if there was any contrary evidence. We also searched the Ministry of Housing, Communities; • We assessed the appropriateness of the disclosures included within the Financial Statements in relation to provisions, including the disclosure of the assumptions and associated sensitivities in relation to the key sources of estimation uncertainty.	Based on our audit procedures we have concluded that Legacy Buildings Provision is appropriately recognised.
Revenue recognition **Revenue: £3,751.3m (2024: £3,200.7m)** *Refer to the Audit Committee Report (page 108); Accounting policies (pages 156 to 160); and Note 5 of the Consolidated Financial Statements (page 161)* There is a potential risk of material misstatement within revenue, particularly in relation to revenue being recorded in the wrong period, due to cut off errors or management bias.	We performed the following procedures: • We performed walkthroughs to understand the key processes and identify key controls. This was done by selecting relevant transactions and tracing them through the processes; • We performed procedures using EY data analytics tools to test the appropriateness of journal entries recorded in the general ledger by correlating sales postings to cash receipts throughout the year. This allows us to validate the extent to which sales recognised have converted into cash; • We assessed whether revenue was recorded in the correct period by testing whether a sample of housing sales recorded within two weeks either side of the year end have legally completed in the period in which the revenue is recognised, by tracing through to legal completion statement and cash receipt; and testing whether Housing Association income has been recognised correctly. Depending on the terms of the contract, revenue will either be recognised on completion, or it will be spread over the duration of the contract based upon agreed milestones; • We assessed material manual journals for any evidence of management bias by corroborating to supporting documentation, including those made in respect of Housing Association sales; and • For material bulk sale arrangements, we assessed compliance with IFRS 15 and testing the assumptions with regard to deferred performance obligations and variable consideration, where applicable.	Based on our audit procedures we have concluded that revenue is appropriately recognised, and that there was no evidence of management override.

Independent auditor's report continued

To the members of Persimmon Plc

Our application of materiality

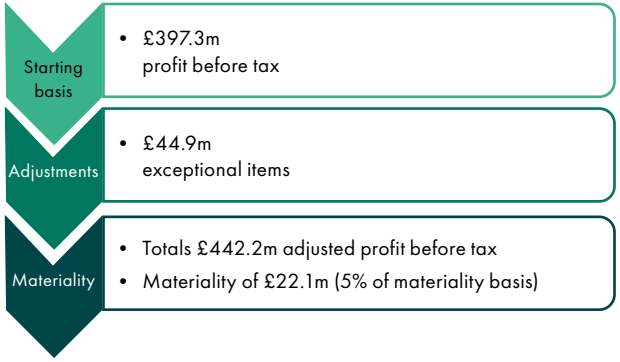
We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £22.1m (2024: £19.7m), which is 5% (2024: 5%) of adjusted profit before tax (2024: adjusted profit before tax). We believe that adjusted profit before tax provides us with us with an appropriate basis for materiality and is the most relevant for stakeholders, as it is a focus of both management and investors.

We determined materiality for the Parent Company to be £14.8m (2024: £17.3m), which is 1% (2024: 1%) of equity.



Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely £16.5m (2024: £14.8m). We have set performance materiality at this percentage based on our assessment of the control environment of the Group and expectation of errors.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £5.1m to £7.7m (2024: £2.9m to £8.8m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £1.1m (2024: £1.0m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion

Other information

The other information comprises the information included in the annual report set out on pages 1 to 143. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports have been prepared in accordance with applicable legal requirements;

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in:

- the strategic report or the directors' report; or

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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
- a Corporate Governance Statement has not been prepared by the company

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 115;
- Directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on page 77;
- Directors' statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 115;
- Directors' statement on fair, balanced and understandable set out on page 143;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 70 to 76;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 90; and
- The section describing the work of the audit committee set out on page 108 to 114.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 143, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group 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 the directors 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 for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK adopted international accounting standards, the Companies Act 2006 and the UK Corporate Governance Code) tax compliance legislation, employment law and building safety legislation.
- We understood how Persimmon plc is complying with those frameworks by making enquiries of management, Internal Audit, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through our review of board minutes and papers provided to the Audit Committee.

Independent auditor's report continued

To the members of Persimmon Plc

Auditor's responsibilities for the audit of the financial statements continued

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud continued

- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur through internal team conversations and inquiry of management and those charged with governance to understand where it considered there was a susceptibility for fraud. We corroborated our enquiries through other work performed and made inquiries of management to identify if there are matters where there is a risk of breach of such frameworks that could have a material adverse impact on the company, as well as consideration of the results of our audit procedures across the company. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. We also considered performance targets and their propensity to influence efforts made by management to manage earnings. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud and error. We also utilised our analytics tools and paid particular attention to manual journals in order to address the risk of management override. Where necessary we involved forensic specialists to support the audit team in evaluating and concluding on our testing performed in relation to management override.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries about any instances of non-compliance with the Group management and Internal Audit, understanding of the impact of any such non-compliance upon our audit, and reviewing management specialist reports where necessary. We engaged internal specialists as required when designing and executing audit procedures. We also performed journal entry testing, with a focus on manual consolidation journals, and journals indicating large or unusual transactions based on our understanding of the business; and focused testing, as referred to in the key audit matters section above. In addition, we completed procedures to conclude on the compliance of the disclosures in the Annual Report and Accounts with the requirements of the relevant accounting standards, UK legislation and the UK Corporate Governance Code.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the company on 14 April 2016 to audit the financial statements for the year ending 31 December 2016 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is 10 years, covering the years ending 31 December 2016 to 31 December 2025.
- The audit opinion is consistent with the additional report to the audit committee.

Use of our report

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.

Victoria Venning (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester
9 March 2026

Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Note	**2025 Total £m**	2024 Total £m
Revenue	5	**3,751.3**	3,200.7
Cost of sales		**(3,134.8)**	(2,620.3)
Gross profit		**616.5**	580.4
Analysed as:			
Underlying gross profit		**656.3**	582.4
Exceptional items	6	**(39.8)**	(2.0)
Other operating income		**21.4**	9.8
Operating expenses		**(225.2)**	(196.0)
Exceptional – Profit on disposal of a business	6	**11.1**	—
Exceptional – Impairment of a financial asset	6	**—**	(25.0)
Profit from operations	11	**423.8**	369.2
Analysed as:			
Underlying operating profit		**472.1**	405.2
Exceptional items	6	**(44.9)**	(34.4)
Impairment of intangible assets	15	**(3.4)**	(1.6)
Finance income	10	**11.4**	11.1
Finance costs	10	**(37.9)**	(21.2)
Profit before tax		**397.3**	359.1
Analysed as:			
Underlying profit before tax		**445.6**	395.1
Exceptional items	6	**(44.9)**	(34.4)
Impairment of intangible assets	15	**(3.4)**	(1.6)
Tax	12.1	**(111.6)**	(92.0)
Profit after tax (all attributable to equity holders of the parent)	14	**285.7**	267.1

	Note	**2025 Total £m**	2024 Total £m
Other comprehensive expense			
Items that will not be reclassified to profit:			
Remeasurement loss on defined benefit pension schemes	29	**(6.7)**	(1.5)
Tax	12.2	**1.9**	0.4
Other comprehensive expense for the year, net of tax		**(4.8)**	(1.1)
Total recognised income for the year		**280.9**	266.0
Earnings per share			
Basic	14	**89.3p**	83.6p
Diluted	14	**88.2p**	82.7p

The Company is taking advantage of the exemption in section 408 of the Companies Act 2006 not to present its individual statement of comprehensive income.

Balance sheets

As at 31 December 2025

	Note	**Group 2025 £m**	Group 2024 £m	**Company 2025 £m**	Company 2024 £m
Assets					
Non-current assets					
Intangible assets	15	**182.5**	164.6	**3.6**	0.7
Property, plant and equipment	16	**115.4**	154.6	**17.0**	10.5
Investments accounted for using the equity method	17.1	**0.3**	0.3	**—**	—
Investments in subsidiaries	17.2	**—**	—	**3,205.7**	3,205.7
Shared equity loan receivables	18	**23.6**	25.7	**—**	—
Trade and other receivables	20	**1.9**	—	**2,055.8**	2,045.6
Deferred tax assets	25	**—**	9.2	**—**	6.2
Retirement benefit assets	29	**130.7**	130.7	**130.7**	130.7
		454.4	485.1	**5,412.8**	5,399.4
Current assets					
Inventories	19	**4,492.3**	3,902.8	**—**	—
Shared equity loan receivables	18	**2.1**	3.3	**—**	—
Trade and other receivables	20	**249.9**	167.8	**35.6**	28.6
Cash and cash equivalents	27	**117.0**	258.6	**62.0**	182.0
Current tax assets		**2.5**	15.8	**—**	—
		4,863.8	4,348.3	**97.6**	210.6
Total assets		**5,318.2**	4,833.4	**5,510.4**	5,610.0

	Note	**Group 2025 £m**	Group 2024 £m	**Company 2025 £m**	Company 2024 £m
Liabilities					
Non-current liabilities					
Trade and other payables	22	**(283.1)**	(196.2)	**(2.9)**	(2.3)
Deferred tax liabilities	25	**(54.4)**	(73.1)	**(28.9)**	(38.7)
Partnership liability	30	**(5.8)**	(10.3)	**—**	—
Legacy buildings provision	23	**(142.8)**	(123.9)	**—**	—
		(486.1)	(403.5)	**(31.8)**	(41.0)
Current liabilities					
Trade and other payables	22	**(1,123.8)**	(806.3)	**(3,886.2)**	(3,796.7)
Partnership liability	30	**(11.0)**	(5.6)	**—**	—
Legacy buildings provision	23	**(83.2)**	(111.4)	**—**	—
		(1,218.0)	(923.3)	**(3,886.2)**	(3,796.7)
Total liabilities		**(1,704.1)**	(1,326.8)	**(3,918.0)**	(3,837.7)
Net assets		**3,614.1**	3,506.6	**1,592.4**	1,772.3
Equity					
Ordinary share capital issued	26	**32.1**	32.0	**32.1**	32.0
Share premium		**28.0**	25.6	**28.0**	25.6
Capital redemption reserve		**236.5**	236.5	**236.5**	236.5
Other non-distributable reserve		**276.8**	276.8	**—**	—
Retained earnings		**3,040.7**	2,935.7	**1,295.8**	1,478.2
Total equity		**3,614.1**	3,506.6	**1,592.4**	1,772.3

The loss for the year dealt with in the accounts of the Company is £0.6m (2024: profit of £0.5m).

The financial statements of Persimmon Plc (company number: 1818486) on pages 151 to 195 were approved by the Board of Directors on 9 March 2026 and were signed on its behalf by:

Dean Finch
Group Chief Executive

Andrew Duxbury
Chief Financial Officer

Statement of changes in shareholders' equity

For the year ended 31 December 2025

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Other non-distributable reserve £m	Retained earnings £m	Total £m
Group							
Balance at 1 January 2024		31.9	25.6	236.5	276.8	2,847.7	3,418.5
Profit for the year		—	—	—	—	267.1	267.1
Other comprehensive expense		—	—	—	—	(1.1)	(1.1)
Transactions with owners:							
Dividends on equity shares	13	—	—	—	—	(191.8)	(191.8)
Issues of new shares	26	0.1	—	—	—	—	0.1
Own shares purchased	26	—	—	—	—	(0.2)	(0.2)
Share-based payments		—	—	—	—	14.0	14.0
Balance at 31 December 2024		32.0	25.6	236.5	276.8	2,935.7	3,506.6
Profit for the year		—	—	—	—	285.7	285.7
Other comprehensive expense		—	—	—	—	(4.8)	(4.8)
Transactions with owners:							
Dividends on equity shares	13	—	—	—	—	(192.1)	(192.1)
Issues of new shares	26	0.1	2.4	—	—	—	2.5
Own shares purchased	26	—	—	—	—	(2.3)	(2.3)
Share-based payments		—	—	—	—	18.5	18.5
Balance at 31 December 2025		**32.1**	**28.0**	**236.5**	**276.8**	**3,040.7**	**3,614.1**

The other non-distributable reserve arose prior to transition to IFRSs and relates to the issue of ordinary shares to acquire the shares of Beazer Group Plc in 2001.

Statement of changes in shareholders' equity continued

For the year ended 31 December 2025

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Retained earnings £m	Total £m
Company						
Balance at 1 January 2024		31.9	25.6	236.5	1,656.6	1,950.6
Profit for the year		—	—	—	0.5	0.5
Other comprehensive expense		—	—	—	(1.1)	(1.1)
Transactions with owners:						
Dividends on equity shares	13	—	—	—	(191.8)	(191.8)
Issues of new shares	26	0.1	—	—	—	0.1
Own shares purchased	26	—	—	—	(0.2)	(0.2)
Share-based payments		—	—	—	14.2	14.2
Balance at 31 December 2024		32.0	25.6	236.5	1,478.2	1,772.3
Profit for the year		—	—	—	(0.6)	(0.6)
Other comprehensive expense		—	—	—	(4.8)	(4.8)
Transactions with owners:						
Dividends on equity shares	13	—	—	—	(192.1)	(192.1)
Issues of new shares	26	0.1	2.4	—	—	2.5
Own shares purchased	26	—	—	—	(2.3)	(2.3)
Share-based payments		—	—	—	17.4	17.4
Balance at 31 December 2025		**32.1**	**28.0**	**236.5**	**1,295.8**	**1,592.4**

During the year the Company received dividends from wholly owned subsidiary undertakings of £nil (2024: £nil).

Retained earnings include £0.7m of non-distributable items (2024: £0.7m).

Cash flow statements

For the year ended 31 December 2025

	Note	**Group 2025 £m**	Group 2024 £m	**Company 2025 £m**	Company 2024 £m
Cash flows from operating activities:					
Profit /(loss) for the year		**285.7**	267.1	**(0.6)**	0.5
Tax charge	12.1	**111.6**	92.0	**0.8**	0.1
Finance income	10	**(11.4)**	(11.1)	**(9.0)**	(7.6)
Finance costs	10	**37.9**	21.2	**17.2**	8.3
Depreciation charge	16	**21.1**	20.1	**3.0**	2.2
Amortisation of intangible assets	15	**0.1**	—	**0.1**	—
Impairment of intangible assets	15	**3.4**	1.6	**—**	—
Exceptional items (non-cash)	6	**55.0**	27.0	**—**	—
Profit on disposal of a business	6	**(11.1)**	—	**—**	—
Profit on disposal of fixed assets		**(1.5)**	(2.5)	**—**	—
Share-based payment charge		**16.1**	14.7	**16.1**	14.7
Net imputed interest expense		**(18.3)**	(10.0)	**—**	—
Other non-cash items		**(0.7)**	(0.5)	**0.5**	0.6
Cash inflow from operating activities		**487.9**	419.6	**28.1**	18.8
Movements in working capital:					
Increase in inventories		**(590.1)**	(200.4)	**—**	—
(Increase)/decrease in trade and other receivables		**(84.7)**	12.7	**(17.2)**	(16.3)
Increase/(decrease) in trade and other payables		**321.4**	(49.6)	**90.0**	142.4
Decrease in shared equity loan receivables		**4.0**	4.6	**—**	—
Cash generated from operations		**138.5**	186.9	**100.9**	144.9
Interest paid		**(16.7)**	(9.3)	**(16.3)**	(7.7)
Interest received		**3.8**	5.1	**1.9**	2.1
Tax paid		**(96.1)**	(97.8)	**(1.1)**	(0.5)
Net cash inflow from operating activities		**29.5**	84.9	**85.4**	138.8

	Note	**Group 2025 £m**	Group 2024 £m	**Company 2025 £m**	Company 2024 £m
Cash flows from investing activities:					
Acquisition of a subsidiary	7	**(3.5)**	—	**—**	—
Disposal of a business	6	**68.1**	—	**—**	—
Acquisition of loan notes		**—**	(17.5)	**—**	—
Purchase of property, plant, equipment and software	16	**(40.6)**	(32.3)	**(12.0)**	(4.5)
Proceeds from sale of property, plant and equipment		**2.8**	4.8	**—**	—
Net cash inflow/(outflow) from investing activities		**26.8**	(45.0)	**(12.0)**	(4.5)
Cash flows from financing activities:					
Lease capital payments		**(5.1)**	(4.0)	**(0.6)**	(0.5)
Payment of Partnership liability		**—**	(4.6)	**—**	—
Bank fees paid		**(0.9)**	(0.9)	**(0.9)**	(0.9)
Own shares purchased		**(2.3)**	(0.2)	**(2.3)**	(0.2)
Share options consideration		**2.5**	0.1	**2.5**	0.1
Dividends paid	13	**(192.1)**	(191.8)	**(192.1)**	(191.8)
Net cash outflow from financing activities		**(197.9)**	(201.4)	**(193.4)**	(193.3)
Decrease in net cash and cash equivalents	27	**(141.6)**	(161.5)	**(120.0)**	(59.0)
Cash and cash equivalents at the beginning of the year		**258.6**	420.1	**182.0**	241.0
Cash and cash equivalents at the end of the year	27	**117.0**	258.6	**62.0**	182.0

Notes to the financial statements

For the year ended 31 December 2025

1 Adoption of new and revised International Financial Reporting Standards ('IFRSs') and Interpretations ('IFRICs')

The following relevant UK endorsed new amendments to standards are mandatory for the first time for the financial year beginning 1 January 2025:

- Amendments to IAS 21 Lack of Exchangeability

The above amendment has no effect on the Group's financial statements.

The Group has not applied the following new amendments and improvements to standards which are not yet effective:

- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7), effective 1 January 2026
- Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments, effective 1 January 2026
- Annual Improvements to IFRS Accounting Standards – Volume 11, effective 1 January 2026
- IFRS 18 Presentation and Disclosure in Financial Statements, effective 1 January 2027

The Group is currently considering the implication of these amendments and improvements with the expected impact upon the Group being limited to disclosures if applicable.

2 Accounting policies

Statement of compliance

The consolidated Group financial statements are prepared in accordance with UK adopted International Accounting Standards ('IAS'). Parent Company financial statements are prepared in accordance with UK adopted IAS in conformity with the requirements of the Companies Act 2006.

Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

In preparing the Group financial statements management has considered the impact of climate change, taking into account the relevant disclosures in the Strategic Report, including those made in accordance with the recommendations of the Task Force on Climate Related Disclosures. This included an assessment of inventories and goodwill and intangible assets and how they could be impacted by measures taken to address global warming.

Recognising that the environmental impact on the Group's operations is relatively low, no issues were identified that would impact the carrying values of such assets or have any other impact on the financial statements.

Going concern

Our disciplined and strategic financial investment in the business has resulted in the Group operating from a strong balance sheet position, delivering an improved financial performance and growth in volume of new homes delivered. Persimmon's long-term strategy, which recognises the risks associated with the housing cycle by maintaining operational flexibility, investing in high quality land, minimising financial risk and deploying capital at the right time in the cycle, has equipped the business with strong liquidity and a robust balance sheet.

The Group completed the sale of 11,905 new homes (2024: 10,664), generating a profit before tax of £397.3m (2024: £359.1m). At 31 December 2025, the Group's strong financial position included £117.0m of cash (2024: £258.6m), high quality land holdings, and land creditors of £623.4m (2024: £423.2m). During the year the Group extended by one year to July 2030 its £700m Revolving Credit Facility ('RCF'). The facility was undrawn at the year end. During January 2026 the Group increased the £700m RCF by £50m to £750m. In addition the Group agreed with its banking partners a £250m two-year term loan with the ability to extend for an additional year.

The Group's forward order book at 1 January 2026 includes 2,318 new homes sold forward into the private owner occupier market (1 January 2025: 2,360 new homes forward sold) with an average selling price of c.£293,400. In addition, the cumulative average private sales, excluding bulk, reservation rate for the first nine weeks of 2026 is c.3% stronger than for the same period last year.

The Directors have carried out a robust assessment of the principal risks facing the Group, as described on pages 73 to 76 of this report. The Group has considered the impact of these risks on the going concern of the business by performing a range of sensitivity analyses to the latest base case forecast, covering the period to 30 June 2027, including severe but plausible scenarios materialising together with the likely effectiveness of mitigating actions that would be executed by the Directors. For further detail regarding the approach and process the Directors follow in assessing the long-term viability of the business, please see the Viability Statement on pages 77 to 79.

The scenarios emphasise the potential impact of severe market disruption, including for example the effect of economic disruption from a cost-of-living crisis or a war, on short to medium-term demand for new homes. The scenarios' emphasis on the impact on the cash inflows of the Group through reduced new home sales is designed to allow the examination of the extreme cash flow consequences of such circumstances occurring. The Group's cash flows are less sensitive to supply side disruption given the Group's sustainable business model, flexible operations, agile management team and off-site manufacturing facilities.

The first scenario modelled is a severe but plausible downside scenario that models a fall in housing revenue, when compared to full year 2025, of c.53% for full year 2026 followed by gradual recovery. The housing revenue modelled factors in changes in both volumes and average selling prices. The assumption used in this scenario reflects the experience management gained during the Global Financial Crisis from 2007 to 2010, it being the worst recession seen in the housing market since World War Two.

A second, even more extreme, scenario assumes the same significant downturn in 2026 followed by a period of enduring depression of the UK economy and housing market during 2027, assuming that neither volumes nor revenue recover.

In each of these scenarios, cash flows were assumed to be managed consistently, ensuring all relevant land, work in progress and operational investments were made in the business at the appropriate time to deliver the projected new home legal completions. Each scenario fully reflects the current estimate of cash outflows, value and timing, associated with the legacy buildings provision. In each of these scenarios, the Group is able to operate within its facilities.

The Directors have also considered a 'Reverse Stress Test' to demonstrate the point at which the Group runs out of liquid funds or breaches covenants but note the likelihood of this is less than remote.

In addition, the Group has been increasingly assessing climate related risks and opportunities that may present to the Group. During the period assessed for going concern no significant risk has been identified that would materially impact the Group's ability to generate sufficient cash and continue as a going concern.

2 Accounting policies continued

Going concern continued

Having considered the inherent strength of the UK housing market, the resilience of the Group's average selling prices and the Group's scenario analysis as detailed above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence to 30 June 2027. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries up to 31 December each year. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect the returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The subsidiary's identifiable assets, liabilities and contingent liabilities are recognised at their fair value at the acquisition date.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity at the date of the acquisition. Goodwill arising on acquisition of subsidiaries and businesses is capitalised as an asset. Goodwill is subsequently measured at cost less any accumulated impairment losses.

Brand intangibles

Internally generated brands are not held on the balance sheet. The Group carries assets on the balance sheet only for brands that have been acquired. Acquired brand values are calculated based on discounted cash flows. No amortisation is charged on brand intangibles as the Group believes that the value of the brands is maintained indefinitely. The factors that result in the durability of the brands capitalised are that there are no material legal, regulatory, contractual, competitive, economic or other factors that limit the useful life of these intangibles. The acquired brands are tested annually for impairment by performing a value in use calculation, using a discount factor based on the Group's pre-tax weighted average cost of capital, on the branded income stream.

Where a brand's life is not deemed to be indefinite it is written off over its expected useful life on a straight line basis.

Other Intangible Assets

Other intangible assets include know-how and customer contracts acquired on acquisition of subsidiary companies and computer software developed by the Group. Other intangible assets are reviewed for impairment when there is a triggering event. Cost is determined at the time of acquisition/development as being directly attributable costs. Other intangible assets are amortised on a straight line basis over a period of 5 years from the point where fully operational, or less where appropriate.

Revenue recognition

Revenue on private new housing is recognised as the consideration received on legal completion of new built private residential property sale.

Revenue on housing sold to housing associations is recognised either on the consideration received on legal completion of a newly built residential property or amounts contractually due under development agreement.

The Group recognises revenue in the income statement over time for contracts where the control of land is irrevocably transferred to the customer before or during construction. Revenue is recognised from the point that control is irrevocably transferred to the customer. Where revenue is recognised over time and the outcome of the contract can be estimated reliably, it is recognised based on the stage of completion of the agreement as verified by surveys performed by the relevant customer. Revenue also includes the fair value of the consideration received or receivable on the sale of part exchange properties. Revenue relating to the provision of internet services is recognised as the service is provided.

Revenue also includes the fair value of the consideration received or receivable on the sale of part exchange properties.

Revenue relating to the provision of internet services is recognised as the service is provided.

Revenue from planning promotion contracts is recognised at the point at which contractual obligations are satisfied.

Government grants

Grants are included within work in progress in the balance sheet and are credited to the Consolidated Statement of Comprehensive Income over the life of the developments to which they relate. Grants related to legal completions have been recognised in revenue.

Other operating income

Other operating income comprises profits from the sale of land holdings, freehold reversions, rent receivable and other incidental sundry income.

Operating expenses

Operating expenses represent the administration costs of the business, which are written off to the statement of comprehensive income as incurred.

Borrowing costs

Interest bearing bank loans and partnership liabilities are initially measured at fair value (being proceeds received, net of direct issue costs) and are subsequently measured at amortised cost, using the effective interest rate method. Finance charges, including direct issue costs, are accounted for and taken to the statement of comprehensive income using the effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Where bank agreements include a legal right of offset for in hand and overdraft balances, and the Group intends to settle the net outstanding position, the offset arrangements are applied to record the net position in the balance sheet.

Notes to the financial statements continued

For the year ended 31 December 2025

2 Accounting policies continued

Exceptional items

Exceptional items are items of income and expenditure that, in the judgement of management, should be disclosed separately on the basis that they are material, either by their nature or their size, to an understanding of the financial performance and significantly distort the comparability of financial performance between accounting periods. Items of income or expense that are considered by management for designation as exceptional include such items as major restructuring and significant impairment of assets.

During the year, the Group recognised a net exceptional charge of £44.9m (2024: £34.4m). Further details on this can be found in note 6.

All items have been disclosed as exceptional due to the non-recurring nature and scale of the charge to aid understanding of the financial performance of the Group and to assist in the comparability of financial performance between accounting periods.

Share-based payments

Charges for employee services received in exchange for share-based payment have been made for all options/awards in accordance with IFRS 2 Share-based Payment, to spread the fair value of the grant over the anticipated vesting period.

The fair value of such options has been calculated using generally accepted option pricing models, based upon publicly available market data at the point of grant. Share options include both market and non-market conditions. Market conditions are considered in the establishment of the initial valuation of the options. In the event of failure to meet market conditions share-based payment charges are not reversed. In the event of failure to meet non-market conditions share-based payment charges are reversed.

Where options are net settled in respect of withholding tax obligations, these are accounted for as equity settled transactions. Payments to HMRC are accounted for as a deduction from equity for the shares withheld, except to the extent (if any) that the payment exceeds the fair value of shares withheld, in which case the excess will be charged to the statement of comprehensive income.

Share-based payments are charged wholly in the ultimate Parent Company.

Retirement benefit costs

The Group operates two defined benefit pension schemes which are now closed to further accrual. It also operates three defined contribution schemes for current employees. The asset/liability in respect of the defined benefit schemes is the present value of the defined benefit obligation at the balance sheet date, less the fair value of the schemes' assets, together with adjustments for remeasurement gains and losses. Where a net asset results it is limited to the present value of economic benefits available in the form of future refunds from the scheme or reductions in future contributions, subject to any minimum funding requirements. Further details of the schemes and the valuation methods applied may be found in note 29.

Interest cost on the scheme liabilities and finance returns on scheme assets are recognised at the applicable discount rate as net finance income/costs in the statement of comprehensive income and remeasurement gains and losses via the statement of other comprehensive income.

The current service cost is borne by the Company as the legal sponsor, as are all experience gains and losses. There is no contractual arrangement or stated policy for recharging the other Group entities involved in the schemes.

Payments to the defined contribution schemes are accounted for on an accruals basis. Once the payments have been made, the Group has no further payment obligations.

Taxation

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using enacted or substantially enacted tax rates, and adjusted for any tax payable in respect of previous years. The Group assesses its exposure to Pillar Two income taxes based on the most recent information available from tax filings and financial statements, and takes into account known changes in the Group and its operations.

Deferred tax is provided using the balance sheet liability method, providing for 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, the initial recognition of assets or liabilities that affect neither accounting or taxable profit, and differences relating to investment 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 carrying amount of assets and liabilities, using the tax rates applicable, or expected to be applicable at the date of settlement, based on enacted rates at the balance sheet date. Where the deferred tax asset recognised in respect of share-based payments would give rise to a credit in excess of the related accounting charge at the prevailing tax rate the excess is recognised directly in equity. 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. Deferred tax assets are reviewed at each balance sheet date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities when the Group intends to settle its current tax assets and liabilities on a net basis. The Group has applied the mandatory temporary exception from recognising deferred tax assets and liabilities arising from Pillar Two income taxes, in accordance with the IASB amendments to IAS 12. No deferred taxes related to Pillar Two have been recognised. The Group does not expect to incur Pillar Two top up tax for the reporting period.

The Group accounts for current and deferred tax in accordance with IFRIC 23 – Uncertainty over Income Tax Treatments. Where uncertainty exists, the Group assesses whether it is probable that the tax authority will accept the treatment. If not, the effect of the uncertainty is reflected using the most likely amount or expected value method.

2 Accounting policies continued

Property, plant and equipment

It is the Group's policy to hold property, plant and equipment at cost less accumulated depreciation, subject to the requirement to test assets for impairment.

Depreciation on property, plant and equipment is provided using the straight line method to write off the cost less any estimated residual value, over the estimated useful lives on the following bases:

- Plant and equipment – 3 to 5 years.
- Fixtures, fittings and IT equipment – 3 to 5 years.
- Owned utility infrastructure – 15 to 40 years.
- Freehold buildings – 50 years.

No depreciation is provided on freehold land.

The assets' useful economic lives and residual values are reviewed and adjusted, if appropriate, at each financial year end. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Investments

Interests in subsidiary undertakings are valued at cost less impairment. Other investments are stated at fair value.

Joint ventures and associates

A joint venture is an entity in which the Group holds an interest with one or more other parties where a contractual arrangement has established joint control over the entity, and where the arrangements entitle the Group to a share of the net assets of the entity.

An associate is an entity in which the Group holds an interest with one or more other parties where it exerts significant influence, but not overall control, over the entity.

Investments in joint ventures and associates are accounted for under the equity method of accounting.

Joint operations

A joint operation is an arrangement or entity in which the Group holds an interest with one or more other parties where a contractual arrangement has established joint control over the operation and where the arrangements entitle the Group to rights over specific assets or obligations of the operation. The Group recognises its share of revenue, costs, assets and liabilities for its joint operations.

Shared equity loan receivables

Receivables on extended terms granted as part of a sales transaction are secured by way of a second legal charge on the respective property. The loans are classified as financial assets held at fair value through profit or loss and are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of comprehensive income as described in note 18.

Inventories

Inventories are stated at the lower of cost and net realisable value. Land with planning includes undeveloped land and land under development and is initially recorded at discounted cost. Where, through deferred purchase credit terms, the carrying value differs from the amount that will ultimately be paid in settling the liability, this difference is charged as a finance cost in the statement of comprehensive income over the period of settlement. Work in progress comprises direct materials, labour costs, site overheads, associated professional charges and other attributable overheads. Net realisable value represents the estimated selling prices less all estimated costs of completion and overheads.

Investments in land without the benefit of a planning consent are initially included at cost. Regular reviews are carried out to identify any impairment in the value of the land considering the existing use value of the land and the likelihood of achieving a planning consent and the value thereof. Provision is made to reflect any irrecoverable amounts.

Expenditure relating to forward land, including options, fees and planning promotion agreements are held at cost. If the option expires or the Directors no longer consider it likely that the option will be exercised prior to the securing of planning permission, the amount is subject to an annual impairment review.

Impairment of financial assets

The Group recognises an allowance for expected credit losses for all debt instruments not held at fair value through profit and loss. Expected credit losses are based on the difference between the contracted cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and, in the Parent Company, intercompany receivables, the Group applies a simplified approach in calculating expected credit losses. The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each balance sheet date.

Inter-Group guarantees

The Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group. These have been of insignificant value in the year.

Trade and other payables

Trade payables on normal terms are not interest bearing and are stated at amortised cost. Trade payables on extended terms, particularly in respect of land purchases, are initially recorded at their fair value and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the Group has a present commitment as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle that commitment. Provisions are measured at the Directors' best estimate of the expenditure required to settle the commitment at the balance sheet date and are discounted to present value where the effect is material.

Deposits

New property deposits and on account contract receipts are held within current trade and other payables until the legal completion of the related property or cancellation of the sale.

Notes to the financial statements continued

For the year ended 31 December 2025

2 Accounting policies continued

Cash and cash equivalents

Cash and cash equivalents include cash and balances in the bank accounts with no notice or less than three months' notice from inception, and are subject to insignificant risk of changes in value.

Interest bearing borrowings

Interest bearing borrowings and partnership liabilities are carried at amortised cost.

Dividends

Dividends receivable by the Parent Company from subsidiaries are accounted for on a cash basis, or once formally approved by the shareholders of the subsidiary companies. These cash flows are treated as operating cash flows on the basis that the Parent Company's underlying activities includes receiving dividends from its subsidiaries.

Dividends payable are recorded in the period in which they are approved or paid, whichever is earliest.

Own shares held

The Group may acquire holdings in its own shares either directly or via employee benefit trusts. The acquisition cost of such shares (including associated purchase costs) is treated as a deduction from retained earnings. Such shares may be used in satisfaction of employee options or rights, in which case the cost of such shares is reversed from the retained earnings on a 'first in first out' basis.

Transactions of the Company sponsored EBT are treated as being those of the Company and are therefore reflected in the Company financial statements. In particular, the trust's purchases and sales of shares in the Company are debited and credited directly to equity.

3 Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies which are described in note 2, the Directors have made no individual judgements that have a significant impact upon the financial statements, excepting those involving estimation which are dealt with below. The key sources of estimation uncertainty at the balance sheet date are:

Pensions

The Directors have employed the services of a qualified, independent actuary in assessing pension assets/liabilities. However, they recognise that final liabilities and asset returns may differ from actuarial estimates and therefore the ultimate pension asset/liability may differ from that included in the financial statements. For further information on the estimates used, please refer to note 29.

Provisions

The Group holds a provision of £226.0m (2024: £235.3m) based on management's best estimates of the costs of completing works to ensure fire safety on affected buildings under direct ownership, and to work with and support owners and other relevant stakeholders on buildings it has developed. The prior year provision represented management's best estimate of the liability based on the information available at that point. During 2022 we signed the Building Safety Pledge (England) and worked constructively with the Government to agree the 'Long–Form Contract' that turned the pledge into a legal agreement. The Self Remediation Contract was signed on 13 March 2023. In December 2025, we were the first housebuilder to sign the Scottish Government's developer remediation contract. As we have worked through this process we have identified further eligible multi-storey developments requiring remediation for which we will be liable, and developed a more detailed understanding of remediation costs.

The number of developments we are responsible for has increased and now stands at 87 (2024: 83) of which 43 have now either secured EWS1 certificates or concluded any necessary works (2024: 40).

These estimates may change over time as further information is assessed, remedial works progress, the interpretation of fire safety regulations further evolves and further developments requiring remediation works are potentially identified. The assessment of the provision remains a highly complex area with judgements and estimates in respect of the costs of remedial works to be incurred. Whilst we have exercised our best judgement in these matters, there remains the potential for variations to this estimate from multiple factors such as material, energy and labour cost inflation, limited qualified contractor availability and abnormal works identified on intrusive surveys. Should a 20% variation in the costs of untendered projects occur then the overall provision would vary by +/- £17.2m.

The following areas of estimation uncertainty are not presented to comply with the requirements of paragraph 125 of IAS 1, Presentation of Financial Statements as it is not expected there is a significant risk of a material adjustment to the carrying amount of assets within the next financial year. They are presented as an additional disclosure of estimate used in these accounts

Land and work in progress

Given the high quality of the Group's inventory asset base, the sensitivity of the assumptions used in assessing the net realisable value ('NRV') of the Group's inventories is relatively low. As such no reasonably possible change in assumptions is likely to result in a material impact to the carrying value of the Group's land and work in progress balance within the next 12 months. The disclosure below provides additional insight into the carrying value of the Group's land and work in progress.

Valuations of the Group's developments, which include an estimation of costs to complete and anticipated revenues, are carried out at regular intervals throughout the year. The valuations allocate total expected site development costs between units built in the current year and those to be built in future years. These valuations therefore include a degree of uncertainty when estimating the profitability of a site and in assessing any impairment provision which may be required.

During the year ended 31 December 2025, the Group conducted reviews of the NRV of its development land and work in progress carrying values. The reviews were conducted on a site-by-site basis, using assumptions surrounding anticipated selling prices and the level of future development costs, based on local management and the Board's assessment of market conditions existing at the balance sheet date.

As noted above, the sensitivity of these assumptions to inventory carrying value is relatively low. However, the most sensitive assumption relates to the consideration of the Group's average selling price prognosis – for example, the Directors have modelled a scenario involving an immediate and enduring reduction in Group average selling price of 10% across each plot in the Group's owned land holdings (it is important to note that the enduring nature of this assumption would present unusually unique circumstances when considered in the context of the UK housing market). Such a scenario would not result in a material adjustment to the carrying value of the Group's inventory. Given these factors, the Board does not believe that a reasonably possible change in the assumptions could result in a material impairment of land and work in progress carrying values in the next 12 months. Cost of materials and labour have been included in the assessment of sensitivity and are considered to be immaterial in the valuation of the Group's inventory.

If there are significant movements in UK house prices or development costs, beyond management's reasonably possible expectations, then further impairments of land and work in progress may be necessary.

3 Critical accounting judgements and key sources of estimation uncertainty continued

Shared equity loan receivables

Shared equity loan receivables comprise loans granted as part of sales transactions that are secured by way of a second legal charge on the respective property. The fair value of these receivables is determined by taking into account factors such as the length of time that the loan has been outstanding, market conditions, including those in respect of house price inflation, forced sale discount and probability of borrower default. The variables used are kept under regular review to ensure that as far as possible they reflect current economic circumstances; however, changes in house prices, redemption dates, interest rates, unemployment levels and bankruptcy trends in the UK could result in actual returns differing from reported valuations. At 31 December 2025 the loan recognised on the balance sheet was £25.7m (2024: £29.0m).

4 Principal activities

The Group has only one reportable operating segment, being housebuilding within the UK, under the control of the Executive Board. The Executive Board has been identified as the Chief Operating Decision Maker as defined under IFRS 8 Operating Segments.

5 Revenue

An analysis of the Group's revenue is as follows:

	2025 £m	2024 £m
Revenue from the sale of new housing – private	**2,962.7**	2,606.0
Revenue from the sale of new housing – housing association	**349.3**	257.3
Revenue from the sale of new housing – total	**3,312.0**	2,863.3
Revenue from the sale of part exchange properties	**426.7**	322.6
Revenue from the provision of internet services	**10.7**	14.8
Revenue from planning promotion contracts	**1.9**	—
Revenue from the sale of goods and services as reported in the statement of comprehensive income	**3,751.3**	3,200.7
Other operating income	**21.4**	9.8
Finance income	**11.4**	11.1
	3,784.1	3,221.6

Revenue from the sale of new housing includes £465.2m (2024: £361.5m) in respect of the value of properties accepted in part exchange by the Group. Of this £198.8m of part exchange stock remained unsold at 31 December and is reported within Inventories (2024: £154.4m).

6 Exceptional items

	2025 £m	2024 £m
Legacy buildings provision (through Cost of Sales)	**39.8**	2.0
Profit on disposal of a business	**(11.1)**	—
Impairment of a financial asset	**—**	25.0
Affordable Homes Programme contribution (through Operating expenses)	**15.2**	—
Project fees (through Operating expenses)	**1.0**	7.4
Exceptional items net charge	**44.9**	34.4

During 2025 the Group recognised a net exceptional charge of £39.8m in relation to the increase in the anticipated costs of the Group's commitments to support leaseholders in buildings we had developed with the cost of removal of combustible cladding and other fire related remediation works. This reflected the identification of further developments for which we are now responsible and a greater understanding of remediation costs,offset by works assumed by and recoveries secured from historic subcontractors. Further details on this matter is provided in note 23.

On 5 August 2025 the assets of £65.9m, primarily Property, Plant and equipment of £59.2m, and liabilities of £8.9m, mainly deferred tax liabilities of £8.7m, associated with the FibreNest operation were sold to BUUK Infrastructure No 2 Limited. Net proceeds received on the sale were £68.1m generating a profit on sale of £11.1m.

On 26 February 2024, the CMA launched an investigation under Chapter I of the Competition Act 1998 into suspected breaches of competition law by eight housebuilders (following the Barratt/Redrow mergers, seven housebuilders), including Persimmon, relating to concerns that they may have exchanged competitively sensitive information. On 10 January 2025, the CMA extended the timeline for the initial investigation by five months to May 2025.

On 9 July 2025, the CMA announced that it proposed to accept commitments and close its investigation, without making any findings that Persimmon Plc and its group companies had infringed UK competition law. Persimmon's decision to offer voluntary commitments does not constitute an admission of any wrongdoing nor does it imply that Persimmon agrees with the concerns expressed by the CMA in the investigation. The commitments include an ex-gratia financial contribution from all seven housebuilders to the Government's Affordable Housing Programme totalling £100m. Persimmon's proportionate contribution was £15.2m.

On 30 October 2025, the CMA officially closed its investigation accepting binding commitments from the seven housebuilders. The £15.2m ex-gratia contribution due from Persimmon was paid on 30 January 2026 and is reported within Trade and other payable at 31 December 2025.

In total there was a net exceptional charge of £44.9m (2024: £34.4m) in the year, of which £55.0m (2024: £27.0m) is non-cash related.

Given the non-recurring nature and scale, the net increase in the legacy buildings provision, the profit generated from the sale of FibreNest, the Affordable Housing Programme contribution and the associated fees (£1.0m) have been reported as exceptional to aid the understanding of the financial performance of the Group and to assist in the comparability of financial performance between accounting periods.

Notes to the financial statements continued

For the year ended 31 December 2025

7 Group acquisition of subsidiary undertaking

On 20 August 2025, the Group acquired 100% of the share capital of Lone Star Land Limited (Lone Star), a land promoter that operates principally in the Midlands. Further details on the strategic rationale for the acquisition are included in the Strategic Report on page 14.

Details of the purchase consideration, net identifiable assets acquired and the resulting provisional goodwill are as follows:

	2025 £m
Cash paid on acquisition date	**3.4**
Contingent consideration at fair value	**12.0**
Total purchase consideration	**15.4**
Net assets and liabilities recognised as a result of the acquisition	
Intangible assets	**7.9**
Property, plant and equipment	**0.1**
Inventories	**4.1**
Trade and other receivables	**0.6**
Deferred tax liability	**(1.4)**
Trade and other payables	**(6.4)**
Net overdraft	**(0.1)**
Net identifiable assets acquired at provisional fair value	**4.8**
Provisional goodwill	**10.6**
Net assets acquired at provisional fair value	**15.4**

The assets and liabilities acquired have been recognised at their acquisition date provisional fair value, which may be amended during the 12 months following acquisition. The fair value of trade and other receivables is equal to the gross contractual amounts receivable.

Goodwill represents the value of intangible assets such as the expertise of the retained employees of Lone Star and the geographical area and land contracts they have, that do not qualify for separate recognition under accounting standards. For tax purposes, none of the goodwill arising will be deemed deductible.

Revenue of £1.9m and a profit contribution of £0.7m are recognised in the Consolidated Income Statement in respect of Lone Star. If the acquisition had occurred on 1 January 2025, consolidated pro-forma revenue and profit for the year ended 31 December 2025, based on Lone Star's results for the year adjusted for intercompany transactions and differences in accounting policies, would have been £3.2m and £0.1m.

The Group's cash outflow in respect of the acquisition is as follows:

	2025 £m
Cash paid on acquisition date	**3.4**
Net overdraft acquired	**0.1**
Net outflow of cash	**3.5**

As part of the acquisition £14.3m of the consideration is contingent and payable on satisfaction of obligations by the previous shareholders. The amounts payable are fixed amounts per the acquisition contract. Management currently assesses the likelihood of all obligations being satisfied as high and that all of the contingent consideration will be payable. The fair value of the contingent consideration, after discounting, is reported within Other payables at the 31 December 2025.

There were no acquisitions in the year ended 31 December 2024.

8 Key management remuneration

Key management personnel, as disclosed under IAS 24 Related Party Disclosures, have been identified as the Board of Directors. Detailed disclosures of individual remuneration, including the highest paid director for both years, pension entitlements and share options for those Directors who served during the year, are given in the Annual Report on Remuneration on pages 131 to 142. The aggregate key management remuneration is as follows:

	2025 £m	2024 £m
Short-term benefits	**3.3**	3.0
Share-based payments	**2.2**	2.3
	5.5	5.3

Total gains on exercise of options by key management in the year amount to £0.8m (2024: £0.2m). There were no termination payments to key management in 2025 or 2024.

9 Employees

Group

The average monthly number of persons (including Executive Directors) employed by the Group during the year was 4,574 (2024: 4,537).

	2025 £m	2024 £m
Staff costs (for the above persons):		
Wages and salaries	**262.7**	246.3
Social security costs	**33.4**	29.9
Pensions charge	**16.2**	11.4
Share-based payments	**7.2**	7.1
	319.5	294.7

The Group also uses the services of a substantial number of self-employed labour-only site operatives.

9 Employees continued

Company

The average monthly number of persons (including Executive Directors) employed by the Company during the year was 563 (2024: 525).

	2025 £m	2024 £m
Staff costs (for the above persons):		
Wages and salaries	**55.5**	50.2
Social security costs	**8.0**	6.6
Pensions charge	**3.9**	4.0
Share-based payments	**3.9**	3.6
	71.3	64.4

10 Net finance expense

	2025 £m	2024 £m
Recognised in profit after tax		
Interest receivable on bank deposits	**1.2**	2.6
Net gains on shared equity loan receivables	**0.7**	1.5
Net interest on pension asset	**7.2**	5.7
Other interest receivable	**2.3**	1.3
Finance income	**11.4**	11.1
Interest expense on bank overdrafts and loans	**(17.1)**	(8.2)
Imputed interest on deferred land payables	**(12.0)**	(3.8)
Imputed interest on legacy building provision	**(7.0)**	(7.4)
Interest on partnership liability	**(0.8)**	(0.9)
Other interest payable	**(1.0)**	(0.9)
Finance costs	**(37.9)**	(21.2)
Net finance expense	**(26.5)**	(10.1)

11 Profit from operations

	2025 £m	2024 £m
Profit from operations is stated after charging/(crediting):		
Staff costs (note 9)	**319.5**	294.7
Profit on sale of land holdings	**(17.1)**	(5.7)
Government grants	**(0.2)**	(2.4)
Rent receivable	**(3.6)**	(3.2)
Profit on sale of property, plant and equipment	**(1.5)**	(2.5)
Depreciation of owned assets	**21.1**	20.1
Impairment of intangible assets	**3.4**	1.6

The Group received Government grants totalling £nil (2024: £1.8m) in the year.

Amounts payable to the auditor, Ernst & Young LLP, and their associates in respect of:

	2025 £000	2024 £000
Audit fees		
Audit of the Parent Company and consolidated financial statements	**792**	802
Audit of the Company's subsidiaries pursuant to legislation	**40**	35
Total fees for the audit of the Company and its subsidiaries	**832**	837
Non-audit fees		
Audit related assurance services	**96**	96
Non-audit related fees	**79**	78
Total non-audit fees	**175**	174
	1,007	1,011

The extent of non-audit fees and non-audit related service fees payable to Ernst & Young LLP and its affiliated entities is reviewed by the Audit & Risk Committee in the context of fees paid by the Group to its other advisors during the year. The Committee also reviews the nature and extent of non-audit services to ensure that independence is maintained.

Fees to major firms of accountants other than Ernst & Young LLP and its affiliated entities for non-audit services amounted to £161,659 (2024: £911,764).

Notes to the financial statements continued

For the year ended 31 December 2025

12 Tax

12.1 Analysis of tax charge for the year

	2025 £m	2024 £m
Tax charge comprises:		
UK corporation tax in respect of the current year	**95.8**	78.8
Residential Property Developer Tax ('RPDT') in respect of the current year	**13.7**	12.3
Adjustments in respect of prior years	**(0.7)**	(9.1)
	108.8	82.0
Deferred tax relating to origination and reversal of temporary differences	**5.8**	13.7
Adjustments recognised in the current year in respect of prior year's deferred tax	**(3.0)**	(3.7)
	2.8	10.0
Tax charge for the year recognised in statement of comprehensive income	**111.6**	92.0

The tax charge for the year of £111.6m includes a credit of £11.5m relating to the exceptional items detailed in note 6. The Group has agreed to waive the tax deductibility of the £15.2m contribution to the Affordable Homes Programme. In addition, the profit on disposal of the FibreNest business is not subject to corporation tax due to the availability of reliefs.

The tax charge for the year can be reconciled to the accounting profit as follows:

	2025 £m	2024 £m
Profit from continuing operations	**397.3**	359.1
Tax calculated at UK standard corporation tax rate of 29% (inclusive of RPDT) (2024: 29.0%)	**115.3**	104.1
Goodwill impairment losses that are not deductible	**1.0**	0.5
Expenditure not allowable for tax purposes	**2.2**	2.1
Items not deductible for RPDT	**(1.6)**	(0.3)
Enhanced tax reliefs	**(1.6)**	(1.6)
Adjustments in respect of prior years	**(3.7)**	(12.8)
Tax charge for the year recognised in statement of comprehensive income	**111.6**	92.0

The tax charge for the year includes both current and deferred tax. The tax charge is based upon the expected tax rate for the full year, which is applied to taxable profits for the year, together with any charge or credit in respect of prior years and the tax impact of one-off/non-recurring items arising in the same year. Current tax includes both UK corporation tax and the Residential Property Developer Tax (RPDT).

Deferred Tax is calculated as the tax payable or recoverable in future accounting periods in respect of temporary differences which may be taxable or allowed as deductible. Temporary differences represent the difference between the carrying amount of an asset or liability in the financial statements and the relevant tax base.

The effective rate of tax for the period was 28.1% which was higher than in the prior year (2024: 25.6%) primarily as a result of deductions arising in the 2024 calculation from the finalisation of prior year tax returns, including one-off items in respect to the treatment of building safety remediation provisions.

12.2 Deferred tax recognised in other comprehensive expense (note 25)

	2025 £m	2024 £m
Recognised on remeasurement loss on pension schemes	**(1.9)**	(0.4)

12.3 Tax recognised directly in equity

	2025 £m	2024 £m
Arising on transactions with equity participants		
Current tax related to equity settled transactions	**0.6**	(0.1)
Deferred tax related to equity settled transactions (note 25)	**(3.1)**	0.9
	(2.5)	0.8

UK adoption of OECD Pillar 2: There is no impact from the implementation of the UK's domestic top-up tax, as the Group does not have any profits arising in any entities which are located in a non-UK jurisdiction, and which are taxed below the minimum rate of tax of 15%.

13 Dividends/return of capital

	2025 £m	2024 £m
Amounts recognised as distributions to capital holders in the period:		
2023 final dividend to all shareholders of 40p per share paid 2024	**—**	127.9
2024 interim dividend to all shareholders of 20p per share paid 2024	**—**	63.9
2024 final dividend to all shareholders of 40p per share paid 2025	**128.1**	—
2025 interim dividend to all shareholders of 20p per share paid 2025	**64.0**	—
Total capital return	**192.1**	191.8

The Directors propose a 40p final dividend in respect of the financial year 31 December 2025 to shareholders for each ordinary share held on the register on 19 June 2026 with payment made on 10 July 2026. The total anticipated distributions to shareholders is 60p per share (2024: 60p per share) in respect of the financial year ended 31 December 2025.

The Parent Company received £nil dividends from wholly owned subsidiary undertakings during 2025 (2024: £nil).

14 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year, excluding those held in the employee benefit trusts (see note 26) and any treasury shares, all of which are treated as cancelled, which were 320.1m (2024: 319.6m).

Diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares in issue adjusted to assume conversion of all potentially dilutive ordinary shares from the start of the year, giving a figure of 323.8m (2024: 323.1m).

Underlying earnings per share excludes the net exceptional charge and goodwill impairment. The earnings per share from continuing operations were as follows:

	2025	2024
Basic earnings per share	**89.3p**	83.6p
Underlying basic earnings per share	**100.7p**	92.1p
Diluted earnings per share	**88.2p**	82.7p
Underlying diluted earnings per share	**99.6p**	91.1p

The calculation of the basic and diluted earnings per share is based upon the following data:

	2025 £m	2024 £m
Underlying earnings attributable to shareholders	**322.5**	294.2
Net exceptional charge (net of tax)	**(33.4)**	(25.5)
Goodwill impairment	**(3.4)**	(1.6)
Earnings attributable to shareholders	**285.7**	267.1

15 Goodwill/intangible assets

During the year, the Group acquired the entire share capital of Lone Star Land Limited (note 7). Provisional goodwill of £10.6m arising on the acquisition has been capitalised and allocated to the Group's acquired land promotion business. As part of the acquisition customer contracts valued at £7.9m were acquired and are reported within Intangible assets. These contracts have been valued at the present value of future post tax net cash flows and will be amortised over 5 years being the expected life of the contracts at the acquisition date.

Group	Goodwill £m	Brand £m	Customer contracts £m	Software £m	Other £m	Total £m
Cost						
At 1 January 2024	412.8	60.0	—	—	1.9	474.7
Additions in the year	—	—	—	0.8	—	0.8
At 1 January 2025	412.8	60.0	—	0.8	1.9	475.5
Additions in the year	10.6	—	7.9	3.3	—	21.8
Disposals in the year	—	—	—	(0.4)	—	(0.4)
At 31 December 2025	**423.4**	**60.0**	**7.9**	**3.7**	**1.9**	**496.9**
Impairment/Amortisation						
At 1 January 2024	307.4	—	—	—	1.9	309.3
Impairment losses for the year	1.6	—	—	—	—	1.6
At 1 January 2025	309.0	—	—	—	1.9	310.9
Charge for the year	—	—	—	0.1	—	0.1
Impairment losses for the year	3.4	—	—	—	—	3.4
At 31 December 2025	**312.4**	**—**	**—**	**0.1**	**1.9**	**314.4**
Carrying amount						
At 31 December 2025	**111.0**	**60.0**	**7.9**	**3.6**	**—**	**182.5**
At 31 December 2024	103.8	60.0	—	0.8	—	164.6

Goodwill brought forward at the start of the year of £103.8m includes £85.7m (2024: £87.0m) which arose on acquisitions before the date of transition to IFRSs and is retained at the previous UK GAAP amounts, subject to being tested for impairment. £37.0m (2024: £37.0m) of this amount represented the brand value of Charles Church, acquired with Beazer Group Plc in 2001.

Acquired brand values, including the brand value of Charles Church which is classified as goodwill as this was acquired before the date of transition to IFRSs, are calculated based on discounted cash flows and are tested annually for impairment. The remainder of goodwill is allocated to acquired strategic land holdings and is tested annually for impairment.

Notes to the financial statements continued

For the year ended 31 December 2025

15 Goodwill/intangible assets continued

The recoverable amounts of the intangibles are determined from value in use calculations. Goodwill is allocated for impairment testing purposes down to a lower level than the Group's single operating segment, being to Charles Church and to the portfolios of strategic land holdings throughout the UK acquired with Beazer and Westbury. The key assumptions for value in use calculations are those regarding discount and growth rates. Growth rates incorporate volume, selling price and direct cost changes.

The Group prepares cash flow forecasts derived from the most recent financial forecasts approved by management to form the basis of the Group's five-year business plan.

When performing the impairment review of the brands, the relevant retraction/growth rates included therein vary between 2% and 15% (2024: 3% and 10%), reflecting the economic uncertainties associated with the ongoing war in Ukraine and the cost of living crisis which is affecting the UK economy and the UK housing industry.

The retraction/growth rates in relation to the impairment review of goodwill allocated to strategic land holdings vary between 0% and 6% (2024: -2% and 6%).

After this period the growth rates applied to calculate the cash flow forecasts is 1% (2024: 1%) reflecting management's estimate of the forecast recovery in the UK housing market, which do not exceed the long-term average growth rates for the industry.

Management used pre-tax discount factors between 5% and 9% (2024: 5% and 10%) over the forecast periods.

The goodwill allocated to acquired strategic land holdings is further tested by reference to the proportion of legally completed plots in the period compared to the total plots which are expected to receive satisfactory planning permission in the remaining strategic land holdings, taking account of historical experience and market conditions. This review resulted in an underlying impairment of £3.4m (2024: £1.6m). This charge reflects ongoing consumption of the acquired strategic land holdings. The effect of testing goodwill for impairment in the manner set out is that the goodwill will be completely impaired once the final plot for which management expects to receive a satisfactory planning permission is sold. The timescale for full impairment to occur is difficult to calculate; however, based on current estimates, it is believed this will take over 20 years.

On concluding the annual impairment testing, there remains £46.6m (2024: £48.7m) and £16.8m (2024: £18.1m) of Beazer and Westbury goodwill allocated to strategic land holdings and £37.0m (2024: £37.0m) allocated to the Charles Church brand. In addition, there is £60.0m (2024: £60.0m) of carrying value in relation to the Westbury brand.

No reasonable possible change in any of the assumptions noted above would lead to an impairment charge being required. However, in the event of deterioration in the UK housing market conditions, operating margins reducing, or appropriate discount rates increasing, the possibility of impairment losses in the future remains.

Software has been developed for the purpose of site productivity improvement by the Group during the year.

Other intangible assets include know-how and customer contracts acquired on acquisition of subsidiary companies, and computer software developed by the Group.

Other intangible assets and software are recorded at directly attributable costs determined at the time of acquisition/development. Other intangible assets and software are amortised on a straight line basis over a period of 5 years from the point where fully operational. Other intangible assets and software are reviewed for impairment when there is a triggering event.

Company	Trademark £m	Software £m	Total £m
Cost			
At 1 January 2024	5.0	–	5.0
Additions in the year	–	0.7	0.7
At 1 January 2025	5.0	0.7	5.7
Additions in the year	–	3.0	3.0
At 31 December 2025	**5.0**	**3.7**	**8.7**
Amortisation			
At 1 January 2024	4.7	–	4.7
Charge for the year	0.3	–	0.3
At 1 January 2025	5.0	–	5.0
Charge for the year	–	0.1	0.1
At 31 December 2025	**5.0**	**0.1**	**5.1**
Carrying amount			
At 31 December 2025	**–**	**3.6**	**3.6**
At 31 December 2024	–	0.7	0.7

16 Property, plant and equipment

Group	Land and buildings £m	Plant £m	Fixtures and fittings £m	Total £m
Cost				
At 1 January 2024	60.2	156.8	47.7	264.7
Additions	4.2	15.9	16.5	36.6
Disposals	(5.4)	(17.0)	(1.1)	(23.5)
At 1 January 2025	59.0	155.7	63.1	277.8
Additions	1.9	22.9	17.6	42.4
Disposals	(0.5)	(47.2)	(39.3)	(87.0)
At 31 December 2025	**60.4**	**131.4**	**41.4**	**233.2**
Accumulated depreciation				
At 1 January 2024	13.2	88.5	22.5	124.2
Charge for the year	2.4	12.3	5.4	20.1
Disposals	(3.2)	(16.8)	(1.1)	(21.1)
At 1 January 2025	12.4	84.0	26.8	123.2
Charge for the year	2.3	13.3	5.5	21.1
Disposals	(0.5)	(15.4)	(10.6)	(26.5)
At 31 December 2025	**14.2**	**81.9**	**21.7**	**117.8**
Carrying amount				
At 31 December 2025	**46.2**	**49.5**	**19.7**	**115.4**
At 31 December 2024	46.6	71.7	36.3	154.6

At 31 December 2025, the Group had £0.5m of contractual commitments for the acquisition of property, plant and equipment (2024: £1.8m).

Within additions for the year are £5.0m of right-of-use assets (2024: £5.1m). At 31 December 2025 a right-of-use asset of £14.0m is reported within property, plant and equipment (2024: £13.5m).

Company	Land and buildings £m	Plant £m	Fixtures and fittings £m	Total £m
Cost				
At 1 January 2024	2.8	2.0	10.9	15.7
Additions	—	0.7	3.8	4.5
Disposals	—	(0.1)	(0.1)	(0.2)
At 1 January 2025	2.8	2.6	14.6	20.0
Additions	1.0	0.6	8.0	9.6
Disposals	—	(0.1)	—	(0.1)
At 31 December 2025	**3.8**	**3.1**	**22.6**	**29.5**
Accumulated depreciation				
At 1 January 2024	0.9	1.3	5.2	7.4
Charge for the year	0.2	0.4	1.6	2.2
Disposals	—	—	(0.1)	(0.1)
At 1 January 2025	1.1	1.7	6.7	9.5
Charge for the year	0.2	0.4	2.4	3.0
At 31 December 2025	**1.3**	**2.1**	**9.1**	**12.5**
Carrying amount				
At 31 December 2025	**2.5**	**1.0**	**13.5**	**17.0**
At 31 December 2024	1.7	0.9	7.9	10.5

17 Investments

17.1 Investments accounted for using the equity method

	Investments in associates £m	Investments in joint ventures £m
Cost		
At 1 January 2024	0.7	0.3
Written off in the year	(0.7)	—
At 1 January 2025 and 31 December 2025	**—**	**0.3**

Notes to the financial statements continued

For the year ended 31 December 2025

17 Investments continued

17.1 Investments accounted for using the equity method continued

Investments in associates and joint ventures are accounted for under the equity method of accounting. All principal joint ventures have a single external partner holding a 50% interest giving an equal interest in the trade and net assets of the joint ventures. There are no significant restrictions on these entities.

During 2024, a charge of £0.7m writing down of the value of the investment in TopHat Enterprises Limited to £nil was recognised as an exceptional item – impairment of a financial asset in the Consolidated Statement of Comprehensive Income. The write down being due a re-assessment of risks within the modular build sector.

The Group's share of assets and liabilities of joint ventures is shown below:

	2025 £m	2024 £m
Non-current assets	**0.3**	0.1
Current assets	**—**	0.2
Net assets of joint ventures	**0.3**	0.3

17.2 Investments in subsidiaries

	2025 £m	2024 £m
Cost		
At 1 January 2024, 31 December 2024 and 31 December 2025	**3,540.7**	3,540.7
Impairment		
At 1 January 2024, 31 December 2024 and 31 December 2025	**335.0**	335.0
Net book value		
At 1 January 2024, 31 December 2024 and 31 December 2025	**3,205.7**	3,205.7

The annual review of the carrying value of the investment in subsidiaries saw the Group undertake an impairment review to ensure the carrying value of the investment was supportable. This resulted in £nil impairment issues (2024: £nil impairment). Details of Group undertakings are set out in notes 33 and 34.

18 Shared equity loan receivables

Group	**2025 £m**	2024 £m
At 1 January	**29.0**	32.1
Settlements	**(4.0)**	(4.6)
Net gains	**0.7**	1.5
At 31 December	**25.7**	29.0

All gains/losses have been recognised in the Consolidated Statement of Comprehensive Income. Of the gains recognised in finance income for the period £nil (2024: £nil) was unrealised.

Shared equity loan receivables comprise loans, largely with a ten-year term and variable repayment amounts, provided as part of sales transactions that are secured by way of a second legal charge on the related property. Loans are repayable at the borrower's option, on sale or transfer of the related property or other redemption of the first legal charge or at the end of the fixed term. The loans are recorded at fair value, being the estimated future amount receivable by the Group, discounted to present day values.

The fair value of future anticipated cash receipts takes into account the Directors' view of future house price movements, the expected timing of receipts and the likelihood that a purchaser defaults on a repayment.

The Directors revisit the future anticipated cash receipts from the loans at the end of each financial reporting period. The difference between the anticipated future receipt and the initial fair value is credited over the estimated deferred term to finance income, with the loan increasing to its full expected cash settlement value on the anticipated receipt date. Credit risk, which the Directors currently consider to be largely mitigated through holding a second legal charge over the assets, is accounted for in determining fair values and appropriate discount factors are applied. The Directors expect an average maturity profile of between five and ten years from the balance sheet date.

Further disclosures relating to loans are set out in note 24.

19 Inventories

Group	**2025 £m**	2024 £m
Land	**2,592.0**	2,265.6
Work in progress	**1,634.0**	1,426.3
Part exchange properties	**198.8**	154.4
Showhouses	**67.5**	56.5
	4,492.3	3,902.8

The Directors consider all inventories to be essentially current in nature although the Group's operational cycle is such that a proportion of inventories will not be realised within 12 months. It is not possible to determine with accuracy when specific inventory will be realised as this is subject to a number of issues, including consumer demand and planning permission delays.

The Group conducted a further review of the net realisable value of its land and work in progress portfolio at 31 December 2025. Our approach to this review has been consistent with that conducted at 31 December 2024. This review gave rise to a reversal of £4.0m (2024: £nil) of provision on land that were written down in a previous accounting period and an impairment of land of £3.1m (2024: £nil). Net realisable provisions held against inventories at 31 December 2025 were £15.7m (2024: £16.8m).

The key judgements in estimating the future net realisable value of a site were the estimation of likely sales prices, house types and costs to complete the developments. Sales prices and costs to complete were estimated on a site-by-site basis based upon existing market conditions. If the UK housing market were to improve or deteriorate in the future then further adjustments to the carrying value of land and work in progress may be required. Following the 2025 review, £37.0m (2024: £26.4m) of inventories are valued at net realisable value rather than at historical cost. No reasonable change in assumptions would lead to further impairment at the balance sheet date.

Land with a carrying value of £1,397.2m (2024: £1,043.2m) was used as security for land payables (note 21).

The value of inventories expensed in 2025 and included in cost of sales was £2,922.7m (2024: £2,442.6m).

20 Trade and other receivables

Non-current assets	Group 2025 £m	Group 2024 £m	Company 2025 £m	Company 2024 £m
Other receivables	**1.9**	—	**—**	—
Amounts owed by Group undertakings	**—**	—	**2,055.8**	2,045.6
	1.9	—	**2,055.8**	2,045.6

Current assets	Group 2025 £m	Group 2024 £m	Company 2025 £m	Company 2024 £m
Trade receivables	**179.4**	116.5	**1.5**	0.4
Other receivables	**41.0**	15.2	**25.4**	18.8
Prepayments and accrued income	**29.5**	36.1	**8.7**	9.4
	249.9	167.8	**35.6**	28.6

Trade and other receivables are non-interest bearing, and the Group applies a simplified approach in calculating expected credit losses. The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Directors consider that the carrying value of trade receivables approximates to their fair value.

No allowance for expected credit losses is deemed necessary in respect of amounts owed by Group undertakings.

Ageing of overdue but not impaired receivables	2025 £m	2024 £m
Less than 3 months	**15.9**	13.4
Over 3 months	**2.1**	4.3
	18.0	17.7

The carrying value of trade and other receivables is stated after the following allowance for expected credit losses:

Group	2025 £m	2024 £m
At 1 January	**2.3**	2.2
Allowance for expected credit losses charged	**—**	0.4
Amounts written off during the year as uncollectable	**(0.1)**	(0.3)
At 31 December	**2.2**	2.3

21 Borrowings

Detailed disclosure of the Group's usage of financial instruments is included in note 24. There are £nil borrowings at 31 December 2025 (2024: £nil).

The contractual repayment terms of facilities are as noted below:

	Currency	Nominal interest rate	Year of maturity	2025 £m	2024 £m
Revolving Credit Facility	GBP	SONIA +1.25%–2.30%	2030	**700.0**	700.0
Total Available facilities				**781.0**	751.0

The interest rate applicable to the syndicated loan may increase dependent upon the Group's gearing level.

On 26 January 2026 the RCF facility was amended, increasing the loan facility from £700m to £750m with a term to 6 July 2030, and securing a further £250m fixed term facility to 31 January 2028, giving an increased total secured funding of £1,000m.

22 Trade and other payables

Non-current liabilities	Group 2025 £m	Group 2024 £m	Company 2025 £m	Company 2024 £m
Land payables	**269.8**	183.3	**—**	—
Other payables	**13.3**	12.9	**2.9**	2.3
	283.1	196.2	**2.9**	2.3

Current liabilities	Group 2025 £m	Group 2024 £m	Company 2025 £m	Company 2024 £m
Trade payables	**475.4**	277.7	**7.2**	4.1
Land payables	**353.6**	239.9	**—**	—
Other payables	**81.0**	65.9	**23.8**	21.2
Accrued expenses	**213.8**	222.8	**26.2**	10.5
Amounts owed to Group undertakings	**—**	—	**3,829.0**	3,760.9
	1,123.8	806.3	**3,886.2**	3,796.7

Trade payables subject to payment terms were 39 days (2024: 22 days), based on the ratio of year end trade payables (excluding retentions and unagreed claims) to amounts invoiced during the year by trade creditors. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed terms. The Directors consider that the carrying amount of trade payables approximates to their fair value.

Land payables are reduced for imputed interest, which is charged to the statement of comprehensive income over the credit period of the purchase contract.

Included in other payables are £14.7m (2024: £14.5m) associated with right to use assets.

Notes to the financial statements continued

For the year ended 31 December 2025

23 Legacy buildings provision

	Group 2025 £m	Group 2024 £m
At 1 January	**235.3**	283.2
Additions to provision in the year	**39.8**	25.0
Imputed interest on provision in the year	**7.0**	7.4
Provision released in the year	**—**	(23.0)
Provision utilised in the year	**(56.1)**	(57.3)
At 31 December	**226.0**	235.3

In 2020 the Group made an initial commitment that no leaseholder living in a building we had developed should have to cover the cost of removal of combustible cladding. During 2022 we signed the Building Safety Pledge (England) and worked constructively with the Government to agree the 'Long-Form Contract' that turned the pledge into a legal agreement. The Self Remediation Contract was signed on 13 March 2023. In December 2025 we were the first housebuilder to sign the Scottish Government's developer remediation contract.

In the year we have been informed by management companies of further potential liabilities for fire remediation costs, and we have added four developments to the total number of developments. The number of developments we are now responsible for stands at 87, of which 43 have now either secured EWS1 certificates or concluded any necessary works. It is assumed the majority of the work will be completed over the next two years and the amount provided for has been discounted accordingly.

During the year £56.1m of the provision has been utilised for works undertaken whilst £7.0m of imputed interest has been charged to the statement of comprehensive income through finance costs. During the year £39.8m has been charged, following a review of the projected costs to complete rectification work. This includes estimation of the costs of rectification of the four additional developments requiring remediation and additional complications and works identified once site works commenced and facades stripped, offset by works assumed by, and recoveries secured from, historic subcontractors. Due to the non-recurring nature of these charges they have been disclosed as exceptional items to support the understanding of the financial performance and improve the comparability between reporting periods.

Based on current cash flow forecasts management forecast that £83.2m of the provision will be utilised within the next 12 months and as a result has been reported as a current liability in the 31 December 2025 balance sheet.

The assessment of the provision remains a highly complex area with judgements and estimates in respect of the cost of the remedial works, with investigative surveys on-going to determine the full extent of those required works. Where remediation works have not yet been fully tendered, we have estimated the likely scope and costs of such works based on experience of other similar sites. Whilst we have exercised our best judgement of these matters, there remains the potential for variations to this estimate from multiple factors such as material, energy and labour cost inflation, limited qualified contractor availability and abnormal works identified on intrusive surveys. Should a 20% variation in the costs of uncontracted projects occur then the overall provision would vary by +/- £17.2m.

The financial statements have been prepared on the latest available information; however, there remains the possibility that, despite management's endeavours to identify all such properties, including those constructed by acquired entities well before acquisition, further developments requiring remediation may emerge.

The company has no provisions.

Identified developments	As of 31 Dec 2025	As of 31 Dec 2024
Recently made aware and under investigation	**1**	1
Pre-tender preparation on-going	**4**	9
Live tender process	**3**	—
Sub-total: progressing through tender	**8**	10
Progressing to contract	**8**	8
Contracted but works yet to start	**4**	4
Sub-total: pre-works starting	**20**	22
Currently on site	**24**	21
Sub-total: to complete	**44**	43
Completed developments	**43**	40
Total identified developments	**87**	83

24 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- market risk;
- liquidity risk;
- capital risk; and
- credit risk.

This note presents basic information regarding the Group's exposure to these risks and the Group's objectives, strategy and processes for measuring and managing exposure to them. Unless otherwise stated references to the Group should be considered to apply to the Company as well.

The Board has overall responsibility for the assessment and effective management of the Group's risks. Comprehensive processes are in place to identify, monitor, mitigate and control risks, through the work of the Audit & Risk Committee, Group Internal Audit department and operational management teams. This includes a wide-ranging annual survey of the Board and senior management in order to assess key risk issues and emerging risks. Collectively, these processes provide the Board with visibility of the Group's full risk landscape, while remaining focused on the most significant threats and trends, and allow for the effective deployment of supporting controls.

24 Financial risk management continued

Market risk

Market risk represents the potential for changes in foreign exchange prices and interest rates to affect the Group's profit and the value of its financial instruments. It also incorporates the effect of the overall UK housing market on the Group. The Group's objective in market risk management is to minimise its exposures to fluctuations within such variables whilst optimising returns.

The Group has no significant direct currency exposures.

Interest rate risk

The Group currently holds no fixed interest borrowings. This reflects the low borrowing requirements of the Group. The Group has no formal target for a ratio of fixed to floating funding. The responsibility for setting the level of fixed rate debt lies with the Board and is regularly reviewed in light of economic data provided by a variety of sources.

Sensitivity analysis

If in the year ended 31 December 2025 UK interest rates had been 1.0% higher/lower than the Group's pre-tax profit would have increased/decreased by £2.2m (2024: increased/decreased by £nil). The Group's post-tax profit would have increased/decreased by £1.6m (2024: increased/decreased by £nil). The Group's cash balance in 2025 would have increased/decreased by £0.4m (2024: £0.8m) if interest rates had been 1.0% higher/lower. This is offset by the interest charge on the Revolving Credit Facility used in the year which would have increased/decreased by £2.6m (2024: £0.8m) if interest rates had been 1.0% higher/lower.

These sensitivities have been prepared in respect of the direct impact of such an interest rate change on the financing expense of financial instruments only, and do not attempt to estimate the indirect effect such a change may have on the wider economic environment such as house pricing, mortgage availability and exchange rates.

Housing market risk

The Group is fundamentally affected by the level of UK house prices. These in turn are affected by factors such as credit availability, employment levels, interest rates, consumer confidence and supply of land with planning.

Whilst it is not possible for the Group to fully mitigate such risks on a national macroeconomic basis the Group does continually monitor its geographical spread within the UK, seeking to balance its investment in areas offering the best immediate returns with a long-term spread of its operations throughout the UK to minimise the risk of local microeconomic fluctuations. The Group has taken steps to control its speculative build and land acquisition activities and work in progress levels so as to manage the exposure of the Group to any further market disruption.

Sensitivity analysis

At 31 December 2025, if UK house prices had been 10% higher/lower, and all other variables were held constant, the Group's house price linked financial instruments, which are solely shared equity loan receivables, would increase/decrease in value, excluding any effects of current or deferred tax, by £0.1m (2024: £0.2m).

Liquidity risk

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial obligations as they fall due. The Group's strategy in relation to managing liquidity risk is to ensure that the Group has sufficient liquid funds to meet all its potential liabilities as they fall due.

This is true not only of normal market conditions but also of negative projections against expected outcomes, so as to avoid any risk of incurring contractual penalties or damaging the Group's reputation, which would in turn reduce the Group's ability to borrow at optimal rates. Therefore the Group remains confident of its continued compliance with financial covenants under the Revolving Credit Facility even in the event of deterioration in market conditions. Further information on the Group's liquidity forecast process is included in the Viability Statement on pages 77 to 79.

The Group has entered into a number of deferred payment guarantees and performance bonds in the normal course of operations. The liabilities to which these guarantees relate are recognised and accounted for in accordance with our standard accounting policies.

Liquidity forecasts are produced on (i) a daily basis to ensure that utilisation of current facilities is optimised; (ii) a monthly basis to ensure that covenant compliance targets and medium-term liquidity are maintained; and (iii) a long-term projection basis for the purpose of identifying long-term strategic funding requirements.

The Directors also continually assess the balance of capital and debt funding of the Group. They consider the security of capital funding against the potentially higher rates of return offered by debt financing in order to set an efficient but stable balance appropriate to the size of the Group.

The Group operates short-term uncommitted overdraft facilities to meet day-to-day liquidity requirements. These facilities are cancellable on request from the bank; however, the Group generally maintains low levels of borrowing on these in favour of secured facilities. These overdraft facilities are provided by five leading clearing banks to minimise exposure to any one lender.

On 6 July 2023 the Group signed a new undrawn Revolving Credit Facility ('RCF') of £700m which had a five-year term to 5 July 2028, this was subsequently extended on 30 May 2025 to 6 July 2030. We continue to receive good support from banking partners, with a consortium of five participating banks. The RCF is a 'Sustainability Linked' facility within the banks' finance frameworks, with ESG targets covering the facility's term. The targets are consistent with the Group's science-based operational carbon reduction targets, our commitment to deliver net zero homes in use by 2030 and our long-standing ambition to deliver excellent development opportunities for our colleagues. This committed facility is sufficient to meet projected liquidity requirements for the duration of the facility. Undrawn committed facilities at the reporting date amount to £700m (2024: £700m).

On 26 January 2026 the RCF facility was amended, increasing the base facility from £700m to £750m with a term to 6 July 2030, and securing a further £250m fixed term facility to 31 January 2028, giving an increased total secured funding level of £1,000m.

Cash deposits

The Group has a policy of ensuring cash deposits are made with the primary objective of security of principal. Accordingly deposits are made only with approved, respected, high credit rating financial institutions. Deposits are spread across such institutions to minimise exposure to any single entity and are made on a short-term basis only to preserve liquidity.

Notes to the financial statements continued

For the year ended 31 December 2025

24 Financial risk management continued

Capital risk

The capital structure of the Group consists of net cash/debt (borrowings as detailed in note 21 offset by cash and bank balances) and equity of the Group (comprising issued capital, reserves and retained earnings as detailed in the Statement of Changes in Shareholders' Equity). The Group's objective in managing capital is primarily to ensure the continued ability of the Group to meet its liabilities as they fall due whilst also maintaining an appropriate balance of equity and borrowings and minimising costs of capital. Close control of deployment of capital is maintained by detailed management review procedures for authorisation of significant capital commitments, such as land acquisition, capital targets for local management and a system of internal interest recharges, ensuring capital cost impact is understood and considered by all management tiers.

Decisions regarding the balance of equity and borrowings, dividend policy and all major borrowing facilities are reserved for the Board. The Group is currently pursuing a strategy of capital return to shareholders, whilst at the same time building a stronger, larger business. Full details are available in the Strategic Report on pages 1 to 79.

The following are the contractual maturities of financial liabilities, including interest payments (not discounted):

Group	**2025 Carrying amount £m**	Contractual cash flows £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Over 5 years £m
Trade and other payables	**783.5**	788.9	760.2	19.2	5.0	4.5
Land payables	**623.4**	660.6	379.6	152.2	120.0	8.8
Partnership liability	**16.8**	17.0	11.3	5.7	—	—
Financial liabilities	**1,423.7**	1,466.5	1,151.1	177.1	125.0	13.3

Group	2024 Carrying amount £m	Contractual cash flows £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Over 5 years £m
Trade and other payables	579.5	583.6	567.3	6.2	4.8	5.3
Land payables	423.2	448.8	265.5	100.1	76.6	6.6
Partnership liability	15.9	17.0	5.6	5.7	5.7	—
Financial liabilities	1,018.6	1,049.4	838.4	112.0	87.1	11.9

Company	**2025 Carrying amount £m**	Contractual cash flows £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Over 5 years £m
Trade and other payables (including intercompany balances)	**3,889.1**	3,889.2	3,886.3	2.6	0.3	—
Financial liabilities	**3,889.1**	3,889.2	3,886.3	2.6	0.3	—

It is noted that £3,829.0m (2024: £3,760.9m) of other payables refer to amounts owed to subsidiary undertakings. Whilst generally repayable upon demand, in practice it is unlikely there will be any required repayment in the short-term.

Company	2024 Carrying amount £m	Contractual cash flows £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Over 5 years £m
Trade and other payables(including intercompany balances)	3,799.3	3,799.3	3,797.9	0.6	0.8	—
Financial liabilities	3,799.3	3,799.3	3,797.9	0.6	0.8	—

Credit risk

The nature of the UK housing industry and the legal framework surrounding it results in the Group having a low exposure to credit risk.

In all but a minority of cases the full cash receipt for each sale occurs on legal completion, which is also the point of revenue recognition under the Group's accounting policies.

In certain specific circumstances the Group has entered into shared equity arrangements (not applicable to the Company). The pressures of market conditions during recessionary periods necessitated an increase in this form of sales structure from 2008. In such cases the long-term debt is secured upon the property concerned. The Group does not recognise collateral rights as a separate asset, nor does it have rights to trade such collateral. Reductions in property values leads to an increase in the credit risk of the Group in respect of such sales. There was a £0.5m requirement for a charge in relation to credit impairment in the year (2024: £0.2m).

24 Financial risk management continued

Credit risk continued

The maximum total credit risk is as follows:

Group	2025 £m	2024 £m
Trade and other receivables	**222.3**	131.7
Shared equity loan receivables	**25.7**	29.0
Cash and cash equivalents	**117.0**	258.6
	365.0	419.3

Company	2025 £m	2024 £m
Loans and receivables (including intercompany balances)	**2,082.7**	2,064.8
Cash and cash equivalents	**62.0**	182.0
	2,144.7	2,246.8

The maximum credit exposure of the Group to overseas parties is £nil (2024: £nil) (Company: £nil (2024: £nil)). The Group's credit risk is widely distributed. The maximum credit risk should any single party (excepting financial institutions) fail to perform is £5.0m (2024: £35.1m) and was due in December 2025 (Company: £1,439.5m (2024: £1,439.5m) being a subsidiary debtor). The Directors consider these financial assets to be of high quality and the credit risk is assessed as low. The maximum credit risk associated with a financial institution in respect of short-term cash deposits is £30.0m (2024: £69.6m).

Fair value

The fair value of financial assets and liabilities is as follows:

	2025		2024	
Group	Fair value £m	Carrying value £m	Fair value £m	Carrying value £m
Trade and other receivables	**222.3**	**222.3**	131.7	131.7
Shared equity loan receivables	**25.7**	**25.7**	29.0	29.0
Cash and cash equivalents	**117.0**	**117.0**	258.6	258.6
Trade and other payables	**(783.5)**	**(783.5)**	(579.3)	(579.3)
Land payables	**(623.4)**	**(623.4)**	(423.2)	(423.2)
Partnership liability	**(17.0)**	**(16.8)**	(17.0)	(15.9)
	(1,058.9)	**(1,058.7)**	(600.2)	(599.1)

In aggregate, the fair value of financial assets and liabilities are not materially different from their carrying value.

	2025		2024	
Company	Fair value £m	Carrying value £m	Fair value £m	Carrying value £m
Trade and other receivables (including intercompany balances)	**2,082.7**	**2,082.7**	2,064.8	2,064.8
Cash and cash equivalents	**62.0**	**62.0**	182.0	182.0
Trade and other payables (including intercompany balances)	**(3,889.1)**	**(3,889.1)**	(3,796.7)	(3,796.7)
	(1,744.4)	**(1,744.4)**	(1,549.9)	(1,549.9)

Income and expense in relation to financial instruments are disclosed in note 10.

Financial assets and liabilities by category:

	Group		Company	
	2025 £m	2024 £m	2025 £m	2024 £m
Financial assets designated fair value through statement of comprehensive income	**25.7**	29.0	**—**	—
Trade and other receivables	**222.3**	131.7	**2,082.7**	2,064.8
Cash and cash equivalents	**117.0**	258.6	**62.0**	182.0
Financial liabilities at amortised cost	**(1,423.7)**	(1,018.4)	**(3,889.1)**	(3,796.7)
	(1,058.7)	(599.1)	**(1,744.4)**	(1,549.9)

Financial assets and liabilities carried at fair value are categorised within the hierarchical classification of IFRS 13 Revised (as defined within the standard) as follows:

Group	2025 Level 3 £m	2024 Level 3 £m
Shared equity loan receivables	**25.7**	29.0
Other payables	**(12.0)**	—

Notes to the financial statements continued

For the year ended 31 December 2025

24 Financial risk management continued

Shared equity loan receivables

Shared equity loan receivables represent loans advanced to customers and secured by way of a second charge on their new home. They are carried at fair value. The fair value is determined by reference to the rates at which they could be exchanged by knowledgeable and willing parties. Fair value is determined by discounting forecast cash flows for the residual period of the contract by a risk adjusted rate.

There exists an element of uncertainty over the precise final valuation and timing of cash flows arising from these loans. As a result the Group has applied inputs based on current market conditions and the Group's historical experience of actual cash flows resulting from such arrangements. These inputs are by nature estimates and as such the fair value has been classified as level 3 under the fair value hierarchy laid out in IFRS 13 Fair Value Measurement.

Significant unobservable inputs into the fair value measurement calculation include regional house price movements based on the Group's actual experience of regional house pricing and management forecasts of future movements, weighted average duration of the loans from inception to settlement of ten years (2024: ten years) and discount rate 7.5% (2024: 8.8%) based on current observed market interest rates offered to private individuals on secured second loans.

The discounted forecast cash flow calculation is dependent upon the estimated future value of the properties on which the shared equity loans are secured. Adjustments to this input, which might result from a change in the wider property market, would have a proportional impact upon the fair value of the loan. Furthermore, whilst not easily assessable in advance, the resulting change in security value may affect the credit risk associated with the counterparty, influencing fair value further.

Detail of the movements in shared equity loan receivables in the period are disclosed in note 18.

Other payables

As part of the acquisition of Lone Star Land Limited, £14.3m of the consideration is contingent and payable on satisfaction of obligations by the previous shareholders. The amounts payable are fixed amounts per the acquisition contract. Given the nature of the obligations the previous shareholders face there exists an element of uncertainty over the actual consideration that will be paid. Management currently assesses the likelihood of all obligations being satisfied as high and that all of the contingent consideration will be payable. Since management's assessment of likelihood is an estimate, the fair value has been classed as Level 3 under the fair value hierarchy laid out in IFRS 13 Fair Value Measurement. A discount rate of 9.0% based on the Group's weighted average cost of capital has been applied. The fair value of the contingent consideration, after discounting, is reported within Other payables at 31 December 2025.

25 Deferred tax

The following are the deferred tax assets and liabilities recognised by the Group and the movements thereon during the current and prior year:

	Note	Accelerated tax depreciation £m	Retirement benefit obligation £m	Share-based payment £m	Intangible assets £m	Other temporary differences £m	Total £m
At 1 January 2024		(8.2)	(36.9)	6.4	(17.4)	2.7	(53.4)
(Charge)/credit to income statement	12.1	(7.4)	(1.4)	2.6	–	(3.8)	(10.0)
Credit to other comprehensive income	12.2	–	0.4	–	–	–	0.4
Amounts taken directly to equity	12.3	–	–	(0.9)	–	–	(0.9)
At 1 January 2025		(15.6)	(37.9)	8.1	(17.4)	(1.1)	(63.9)
(Charge)/credit to income statement	12.1	(3.3)	(1.9)	0.9	–	1.5	(2.8)
Credit to other comprehensive income	12.2	–	1.9	–	–	–	1.9
Amounts taken directly to equity	12.3	–	–	3.1	–	–	3.1
On acquisition		–	–	–	–	(1.4)	(1.4)
On disposal		8.7	–	–	–	–	8.7
At 31 December 2025		**(10.2)**	**(37.9)**	**12.1**	**(17.4)**	**(1.0)**	**(54.4)**

As permitted by IAS 12 Income Taxes, certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2025 £m	2024 £m
Share-based payments	**12.1**	8.1
Other items, including accelerated capital allowances	**2.4**	1.1
Deferred tax assets	**14.5**	9.2
Brands	**(17.4)**	(17.4)
Other items, including accelerated capital allowances	**(51.5)**	(55.7)
Deferred tax liabilities	**(68.9)**	(73.1)
Net deferred tax liability	**(54.4)**	(63.9)

The Group has recognised deferred tax liabilities of £37.9m (2024: liabilities of £37.9m) on retirement benefit assets of £130.7m (2024: assets of £130.7m).

25 Deferred tax continued

The following are the deferred tax assets and liabilities recognised by the Company and the movements thereon during the current and prior year:

	Accelerated tax depreciation £m	Retirement benefit obligation £m	Share-based payment £m	Other temporary differences £m	Total £m
At 1 January 2024	(0.2)	(36.9)	3.7	0.6	(32.8)
(Charge)/credit to income statement	(0.6)	(1.4)	2.6	(0.2)	0.4
Credit to other comprehensive income	—	0.4	—	—	0.4
Amounts taken directly to equity	—	—	(0.5)	—	(0.5)
At 1 January 2025	(0.8)	(37.9)	5.8	0.4	(32.5)
(Charge)/credit to income statement	(0.3)	(1.9)	0.9	1.0	(0.3)
Credit to other comprehensive income	—	1.9	—	—	1.9
Amounts taken directly to equity	—	—	2.0	—	2.0
At 31 December 2025	**(1.1)**	**(37.9)**	**8.7**	**1.4**	**(28.9)**

No deferred tax assets and liabilities have been offset (2024: £nil).

26 Share capital

	2025 £m	2024 £m
Allotted, called up and fully paid		
320,681,126 (2024: 319,914,868) ordinary shares of 10p each	**32.1**	32.0

The Company has one class of ordinary shares which carry no right to fixed income. All issued shares are fully paid. During the year 766,258 ordinary shares (2024: 493,452) were issued in satisfaction of share option exercises.

The Company has established an Employee Benefit Trust to hold shares for participants of the Company's various share schemes. The Trustee is Persimmon (Share Scheme Trustees) Limited, a subsidiary company. During 2025, the Trustee transferred 187,790 shares (2024: 33,743) to employees. At 31 December 2025 the trust held 167,451 shares (2024: 162,241) on which dividends have been waived. The market value of these shares at 31 December 2025 was £2,274,822 (2024: £1,943,647).

Own shares

Own shares held at cost are reconciled as follows:

	Group £m
Balance at 31 December 2024	1.0
Own shares purchased	2.3
Disposed of on exercise/vesting to employees	(2.3)
Balance at 31 December 2025	**1.0**

27 Reconciliation of net cash flow to net cash and analysis of net cash

Group	**2025 £m**	2024 £m
Cash and cash equivalents at 1 January	**258.6**	420.1
Decrease in net cash and cash equivalents in cash flow	**(141.6)**	(161.5)
Cash and cash equivalents at 31 December	**117.0**	258.6
IFRS 16 lease liability	**(14.7)**	(14.5)
Net cash at 31 December	**102.3**	244.1

Net cash is defined as cash and cash equivalents, finance lease obligations and interest bearing borrowings.

28 Contingent liabilities

As disclosed in note 23 the Group has undertaken a review of all of its legacy buildings that used cladding on their facades.

The financial statements have been prepared on the latest available information; however, there remains the possibility that, despite management's endeavours to identify all such properties, including those constructed by acquired entities well before acquisition, further developments requiring remediation may emerge. There is also the possibility that estimates based on preliminary assessments regarding the scale of remediation works relating to buildings yet to be fully surveyed may prove incorrect. The cost of remedial works will remain under review and be updated as works progress.

Notes to the financial statements continued

For the year ended 31 December 2025

29 Retirement benefit assets

As at 31 December 2025 the Group operated four employee pension schemes, being two Group personal pension schemes and two defined benefit pension schemes. Remeasurement gains and losses in the defined benefit schemes are recognised in full as other comprehensive income within the Consolidated Statement of Comprehensive Income. All other pension scheme costs are reported in profit or loss.

Group personal pension schemes

The Group makes contributions to the Group personal pension schemes. Dependent upon an employee's role and length of service the Group may make contributions to the schemes of up to a maximum of 9% of basic salary and a further 9% of employer contributions under an employee salary sacrifice arrangement. The Group has no liability beyond these contributions. Group contributions to these schemes of £15.5m (2024: £9.8m) are expensed through the statement of comprehensive income as incurred.

Persimmon Plc Pension & Life Assurance Scheme

The Persimmon Plc Pension & Life Assurance Scheme (the 'Persimmon Scheme') is a defined benefit scheme which was closed to new members in 2001, and closed to all employees during 2024. Benefits accrue on a career average revalued earnings basis. The assets of the Persimmon Scheme are held separately from those of the Group.

On 12 December 2012 Persimmon Plc made a one-off cash contribution of £57.8m to the Persimmon Scheme. The Persimmon Scheme used these funds to invest in Persimmon Scottish Limited Partnership, which has undertaken to provide fixed cash payments to the Persimmon Scheme to meet its liabilities over a 15-year period. See note 30 for further details.

Prowting Pension Scheme

The Group also operates the Prowting Pension Scheme (the 'Prowting Scheme'), a defined benefit scheme. Benefits accrue on a career average revalued earnings basis. The assets of the Prowting Scheme are held separately from those of the Group.

Role of Trustees

Both the Persimmon Scheme and the Prowting Scheme (jointly the 'Pension Schemes') are managed by Trustees who are legally separate from the Company. The Trustees are composed of representatives appointed by both the employer and employees. The Trustees are required by law to act in the interest of all relevant beneficiaries and are responsible in particular for the asset investment policy plus the day-to-day administration of the benefits. They are also responsible for jointly agreeing with the employer the level of contributions due to the Pension Schemes (see page 177).

Funding requirements

UK legislation requires that pension schemes are funded prudently, i.e. to a level in excess of the current expected cost of providing benefits. The last funding valuation of the Persimmon Scheme was carried out by a qualified actuary as at 1 January 2023 and as at 31 March 2024 for the Prowting Scheme. The next funding valuation will be as at 1 January 2026 for the Persimmon Scheme and as at 31 March 2027 for the Prowting Scheme. Subsequent valuations will be at intervals of no more than three years thereafter.

Following each valuation, the Trustees and the Company must agree the contributions required (if any) to ensure the Pension Schemes are fully funded over time on a suitable prudent measure. Contributions agreed in this manner constitute a minimum funding requirement.

Given the current strength of the Persimmon and Prowting Scheme's funding no deficit contributions are required for either scheme. Salary related contributions for active members are payable for the Persimmon Scheme.

Under the governing documentation of the Pension Schemes, any future surplus in either scheme would be returnable to the Group by refund, assuming gradual settlement of the liabilities over the lifetime of the Pension Schemes. As a result the Group does not consider there to be an asset ceiling in respect of the Pension Schemes.

Both Pension Schemes are in a strong funding position. The Group remains committed to the continuity of this position and will review future contribution levels in the event of any significant deficit arising.

The Pension Schemes' investment strategy is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits of the members as they fall due.* The Pension Schemes do not invest directly in complex financial instruments, though there may be limited indirect investment through investment funds.

* Given the current financial strength of the Pension Schemes' net asset position a low risk investment strategy is applied.

Regulation

The UK pensions market is regulated by The Pensions Regulator, whose key statutory objectives in relation to UK defined benefit plans are:

- to protect the benefits of members;
- to promote, and to improve understanding of good administration; and
- to reduce the risk of situations arising which may lead to compensation being payable from the Pension Protection Fund ('PPF').

The Pensions Regulator has sweeping powers including the powers:

- to wind up a scheme where winding up is necessary to protect members' interests;
- to appoint or remove a trustee;
- to impose a schedule of company contributions or the calculation of the technical provisions where a trustee and company fail to agree on appropriate contributions; and
- to impose a contribution where there has been a detrimental action against a scheme.

29 Retirement benefit assets continued

Risks associated with the Pension Schemes

The Pension Schemes expose the Group to a number of risks, the most significant of which are:

Risk	Description
Volatile asset returns	The defined benefit obligation ('DBO') is calculated using a discount rate set with reference to corporate bond yields. If assets underperform this discount rate, this will create an element of deficit. The Persimmon Scheme no longer holds a significant proportion of assets in growth assets (such as equities) which minimises but does not eliminate asset valuation risk. The allocation to growth assets is monitored to ensure it remains appropriate given the Pension Schemes' long-term objectives.
Changes in bond yields	A decrease in corporate bond yields will increase the value placed on the DBO for accounting purposes, although this will be partially offset by an increase in the value of the Pension Schemes' bond holdings.
Inflation risk	A significant proportion of the DBO is indexed in line with price inflation and higher inflation will lead to higher liabilities (although, in most cases, this is capped at an annual increase of 5%).
Life expectancy	The majority of the Pension Schemes' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the liabilities.

There are a number of other risks of running the Pension Schemes including operational risks (such as paying out the wrong benefits), legislative risks (such as the Government increasing the burden on pension through new legislation) and other demographic risks, such as a higher proportion of members having a dependant eligible to receive a survivor's pension.

Net pension asset

The amounts included in the balance sheet arising from the Group's obligations in respect of the Pension Schemes are as follows:

	2025 £m	2024 £m
Fair value of Pension Scheme assets	**502.0**	504.3
Present value of funded obligations	**(371.3)**	(373.6)
Net pension asset	**130.7**	130.7

A deferred tax liability totalling £37.9m (2024: £37.9m) has been recognised on the balance sheet in relation to the net pension asset.

Movements in the net pension asset on the balance sheet were as follows:

	2025 £m	2024 £m
As at 1 January	**130.7**	127.1
Total gain recognised in the period	**—**	3.5
Company contributions paid in the period	**—**	0.1
As at 31 December	**130.7**	130.7

The Group has recognised a net pension asset on the basis that under the rules of the schemes any future surplus would be returnable to the Group by refund, assuming gradual settlement over the lifetime of the schemes.

The Company does not present valuations of its own separate assets and liabilities under the Pension Schemes as the entire net assets of the Pension Schemes are included in the Company balance sheet, as ultimate scheme sponsor.

The amounts recognised in the Consolidated Statement of Comprehensive Income are as follows:

	2025 £m	2024 £m
Current service cost	**—**	0.2
Administrative expense	**0.5**	0.4
Curtailment cost	**—**	0.1
Pension cost recognised as operating expense	**0.5**	0.7
Interest cost	**20.0**	18.6
Return on assets recorded as interest	**(27.2)**	(24.3)
Pension cost recognised as net finance credit	**(7.2)**	(5.7)
Total defined benefit pension credit recognised in profit or loss	**(6.7)**	(5.0)
Remeasurement loss recognised in other comprehensive income	**6.7**	1.5
Total defined benefit scheme gain recognised	**—**	(3.5)

The net remeasurement loss in the year of £6.7m (2024: loss of £1.5m) reflects the net effect of a loss in asset values of £8.4m, and a decrease in liability obligations of £1.7m, largely arising from a decrease in discount rates.

Notes to the financial statements continued

For the year ended 31 December 2025

29 Retirement benefit assets continued

Assets

The assets of the Pension Schemes have been calculated at fair value and are invested in the following asset classes:

	2025 £m	2024 £m
Equity		
– UK	**—**	2.4
– US	**—**	11.8
– Eurozone	**—**	9.0
– Other	**—**	5.6
Bonds		
– Government	**308.5**	280.3
– Sub-investment grade	**109.0**	114.6
Asset backed funding	**16.3**	15.5
Diversified growth fund	**56.7**	53.8
Cash	**11.5**	11.3
Total	**502.0**	504.3

All assets have a quoted market value in an active market, with the exception of asset backed funding of £16.3m (2024: £15.5m), which related to secured cash flows.

The Persimmon Scheme holds 94% (2024: 94%) of the gross assets of the Pension Schemes and 95% (2024: 94%) of the gross liabilities. The remainder relates to the Prowting Scheme. The Pension Schemes do not engage in investments in complex financial assets such as insurance contracts or longevity derivatives.

Changes in the fair value of scheme assets were as follows:

	2025 £m	2024 £m
As at 1 January	**504.3**	552.7
Return on assets recorded as interest	**27.2**	24.3
Remeasurement losses on assets	**(8.4)**	(47.6)
Contributions	**—**	0.1
Benefits and expenses paid	**(21.1)**	(25.2)
As at 31 December	**502.0**	504.3

Defined benefit obligation

The liabilities of the Pension Schemes, at each balance sheet date, have been calculated on the following financial assumptions:

	2025 % p.a.	2024 % p.a.
Discount rate	**5.5**	5.5
RPI inflation assumption	**2.8**	3.1
CPI inflation assumption	**2.4**	2.7

Post-retirement life expectancy for retirement aged members is as follows:

	2025 Years	2024 Years
Male current pensioner	**22.4**	22.1
Male future pensioner	**23.2**	22.9
Female current pensioner	**24.0**	23.8
Female future pensioner	**24.7**	24.6

The defined benefit obligation includes benefits for current employees, former employees and current pensioners.

The following table provides an analysis of the defined benefit obligation by membership category:

	2025 £m	2024 £m
Total value of current employees' benefits	**—**	—
Deferred members' benefits	**151.3**	155.1
Pensioner members' benefits	**220.0**	218.5
Total defined benefit obligation	**371.3**	373.6

The Pension Schemes' duration is an indicator of the weighted average time until benefit payments are made. For the Pension Schemes as a whole, the duration is around 12 years.

29 Retirement benefit assets continued

Defined benefit obligation continued

Changes in the defined benefit obligation were as follows:

	2025 £m	2024 £m
As at 1 January	**(373.6)**	(425.6)
Current service cost	**—**	(0.2)
Curtailment cost	**—**	(0.1)
Interest cost	**(20.0)**	(18.6)
Remeasurement gain on liabilities	**1.7**	46.1
Benefits paid	**20.6**	24.8
As at 31 December	**(371.3)**	(373.6)

Sensitivities

The key assumptions used for IAS 19 are: discount rate, inflation and mortality. If different assumptions were used, this could have a material effect on the results disclosed. The sensitivity of the results to these assumptions is as follows:

	2025 £m	2024 £m
Present value of defined benefit obligation ('DBO')	**371.3**	373.6
– DBO following a 0.25% decrease in the discount rate	**381.8**	384.3
– DBO following a 0.25% increase in the discount rate	**361.3**	363.2
– DBO following a 0.25% decrease in the inflation assumption	**366.7**	368.2
– DBO following a 0.25% increase in the inflation assumption	**376.6**	378.6
– DBO following a 1-year decrease to life expectancy	**358.3**	359.8
– DBO following a 1-year increase to life expectancy	**384.2**	386.9

The sensitivity information shown above has been prepared using the same methodology as the calculation for the current DBO.

30 Partnership liability to the Persimmon Plc Pension & Life Assurance Scheme

Persimmon Scottish Pension Trustees Limited, a wholly owned Group subsidiary, is general partner in Persimmon Scottish Limited Partnership (the 'Partnership'). Persimmon Pension Trustees Limited, the Trustee of the Persimmon Plc Pension & Life Assurance Scheme (the 'Persimmon Scheme') is a limited partner. The Partnership is included in the consolidated results of the Group. The Partnership has taken advantage of the exemptions in the Partnerships (Accounts) Regulations 2008 not to file separate accounts on this basis.

The terms of the Persimmon Scheme's interest in the Partnership give the pension scheme obligatory rights to cash returns but insignificant operational control over the Partnership. The interest has been classified as a financial liability and is accounted for on an amortised cost basis. During the year the Group agreed with the Trustees to defer payments in relation to the Partnership liability (including interest) (2024: £5.6m paid).

Under IAS 19 the Partnership interest of the Persimmon Scheme is included within the UK pension scheme assets. For further details see note 29.

The Partnership is the beneficial owner of a bond secured on a proportion of the Group's shared equity loan receivables and guaranteed by Persimmon Plc, which will support the Partnership investment return to the Persimmon Scheme.

31 Share-based payments

The Group operates a number of share option schemes, the details of which are provided below. All schemes were equity settled.

The Savings-Related Share Option Scheme is an HMRC approved scheme open to all permanent employees. Options can normally be exercised three years after the date of grant.

Options have been issued to senior management (including the Executive Directors) under the Group's various executive share option schemes, which include awards under the Group's Long Term Incentive Plans. Future vesting of options is dependent upon customer care, cash generation and TSR performance for options granted between 2019 and 2022 under the Persimmon Plc 2017 Performance Share Plan. Future vesting is dependant upon customer care, cash generation, TSR performance and carbon reduction for options granted between 2023 and 2025 under the Persimmon Plc 2017 Performance Share Plan ('PSP'). Future vesting is dependant upon Profit before tax for options granted in 2025 under the Restricted Share Awards Plan ('RSA').

Reconciliations of share options outstanding during each period, under each type of share scheme, are as follows:

	2025 Savings-Related Share Option Scheme		2024 Savings-Related Share Option Scheme	
Group and Company	**Number of shares under option**	**Weighted average exercise price (p)**	Number of shares under option	Weighted average exercise price (p)
Outstanding at the beginning of the year	**2,071,982**	**970.0**	2,233,801	954.9
Granted during the year	**849,088**	**880.0**	292,575	1,336.0
Forfeited during the year	**(423,342)**	**1,151.6**	(448,992)	1,133.8
Exercised during the year	**(225,406)**	**1,075.5**	(5,402)	969.4
Outstanding at the end of the year	**2,272,322**	**892.0**	2,071,982	970.0
Exercisable at the end of the year	**127,256**	**1,080.0**	43,936	2,197.0

Notes to the financial statements continued

For the year ended 31 December 2025

31 Share-based payments continued

Group and Company	**2025 Bonus Share Scheme Number of shares under option**	2024 Bonus Share Scheme Number of shares under option
Outstanding at the beginning of the year	**205,080**	141,405
Granted during the year	**173,789**	92,340
Forfeited during the year	**—**	(7,572)
Exercised during the year	**(84,962)**	(21,093)
Outstanding at the end of the year	**293,907**	205,080
Exercisable at the end of the year	**—**	—

Group and Company	**2025 Buy Out Award Number of shares under option**	2024 Buy Out Award Number of shares under option
Outstanding at the beginning of the year	**201,623**	78,092
Granted during the year	**10,327**	142,706
Forfeited during the year	**(1,980)**	(6,525)
Exercised during the year	**(102,328)**	(12,650)
Outstanding at the end of the year	**107,642**	201,623
Exercisable at the end of the year	**—**	67,707

Group and Company	**2025 2017 Performance Share Plan Number of shares under option**	2024 2017 Performance Share Plan Number of shares under option
Outstanding at the beginning of the year	**4,852,140**	3,679,304
Granted during the year	**1,423,006**	2,319,931
Forfeited during the year	**(983,863)**	(659,042)
Exercised during the year	**(540,421)**	(488,053)
Outstanding at the end of the year	**4,750,862**	4,852,140
Exercisable at the end of the year	**247,733**	424,151

Group and Company	**2025 Restricted Share Awards Plan Number of shares under option**	2024 Restricted Share Awards Plan Number of shares under option
Outstanding at the beginning of the year	**—**	—
Granted during the year	**278,624**	—
Forfeited during the year	**(18,881)**	—
Exercised during the year	**—**	—
Outstanding at the end of the year	**259,743**	—
Exercisable at the end of the year	**—**	—

The weighted average share price at the date of exercise for share options exercised during the period was 1,325.4p (2024: 1,394.0p). The options outstanding at 31 December 2025 had a range of exercise prices from nil to 1,336.0p and a weighted average remaining contractual life of 1.8 years (2024: 1.8 years).

The inputs into the Black Scholes option pricing model for options that were granted in the year were as follows:

Option valuation assumptions	PSP 2025 (no additional holding period)	PSP 2025 (Extended holding period)	RSA 2025	SAYE 2025
Grant date	24 March 2025	24 March 2025	24 March 2025	14 October 2025
Risk free interest rate	4.1%	4.1%	4.1%	3.7%
Exercise price	—	—	—	£8.80
Share price at date of grant	£11.93	£11.93	£11.93	£11.99
Expected dividend yield*	0%	0%	5%	5%
Expected life	3.0 years	3.0 years	3.0 years	3.1 years
Holding period	Nil	2 years	Nil	Nil
Date of vesting	10 March 2028	10 March 2028	10 March 2028	1 December 2028
Expected volatility	35.0%	35.0%	35.0%	33.2%
Fair value of option	£10.64	£8.84	£10.28	£1.43

* At the discretion of the Remuneration Committee a share bonus may be transferred to holders of 2025 PSP grants equivalent to the value of any dividend which would have been paid on the shares held under option had those instead been issued. For purposes of this valuation it has been assumed that such a transfer will be made and the forgone dividend yield assumption set to nil.

The expected life used in the model has been adjusted, based on best estimates, to reflect exercise restrictions and behavioural considerations.

31 Share-based payments continued

In 2025, the Group recognised total expenses before tax of £16.1m (2024: £14.7m) in relation to equity settled share-based payment transactions in the Consolidated Statement of Comprehensive Income. These option charges have been credited against the retained earnings reserve. As at 31 December 2025 the total credit recognised in relation to equity settled share-based payments was £35.4m (2024: £32.3m) of which £3.7m (2024: £8.2m) related to options currently vested awaiting exercise. All Group share-based payments are expensed by the Company.

32 Related party transactions

The Board and certain members of senior management are related parties within the definition of IAS 24 Related Party Disclosures. Summary information of the transactions with key management personnel is provided in note 8. Detailed disclosure of the individual remuneration of Board members is included in the Remuneration Report on pages 118 to 142. There is no difference between transactions with key management personnel of the Company and the Group.

The Company has entered into transactions with its subsidiary undertakings in respect of the following: internal funding loans and provision of Group services (including senior management, IT, accounting, marketing, purchasing, legal and conveyancing services). Recharges are made to subsidiary undertakings for Group loans, based on funding provided, at an interest rate linked to average Group borrowing costs. No recharges are made in respect of balances due to or from otherwise dormant subsidiaries. Recharges are made for Group services based on utilisation of those services.

During the year these recharges amounted to:

	2025 £m	2024 £m
Interest charges on intra-Group funding	**(16.4)**	(17.8)
Group services recharges	**153.9**	129.0
	137.5	111.2

In addition to these services the Company acts as a buying agent for certain Group purchases, such as insurance. These are recharged at cost based on utilisation by the subsidiary undertaking.

The amount outstanding from subsidiary undertakings to the Company at 31 December 2025 totalled £2,055.8m (2024: £2,045.6m). Amounts owed to subsidiary undertakings by the Company at 31 December 2025 totalled £3,829.0m (2024: £3,760.9m).

The Company provides the Group's defined benefit pension schemes. Current employer contributions are charged to the operating businesses at cost. There is no contractual arrangement or stated policy relating to the net defined benefit cost. Experience and remeasurement gains and losses are recognised in the Company.

The Company guarantees a bond issued from Persimmon Shared Equity Limited to Persimmon Scottish Limited Partnership (both subsidiary undertakings). The fair value of the bond at 31 December 2025 is £16.3m (2024: £15.5m).

Certain subsidiary undertakings have entered into guarantees of external bank loans and overdrafts of the Company. The total value of such borrowings at 31 December 2025 was £nil (2024: £nil). The Company has entered into guarantees over bank loans and borrowings of the subsidiary undertakings. The total value of such borrowings at 31 December 2025 was £nil (2024: £nil). The value of these guarantees in the year is assessed as insignificant.

The Company has suffered a £nil expense in respect of bad or doubtful debts of subsidiary undertakings in the year (2024: £nil).

33 Details of major Group undertakings

The Directors set out below information relating to the major subsidiary undertakings (those that principally affect the profits and assets of the Group) of Persimmon Plc at 31 December 2025. All of these companies are registered in England. All voting rights are held by companies within the Group. A full list of subsidiary undertakings and jointly controlled entities can be found in note 34.

Major subsidiary undertakings	
Persimmon Homes Limited°	Charles Church Developments Limited∆
Persimmon Holdings Limited*	

° The shares of this company are held by Persimmon Holdings Limited and Persimmon Plc.

∆ The shares of this company are held by Persimmon Holdings Limited.

* The shares of this company are held by Persimmon Finance Limited and Persimmon Plc.

34 Details of all subsidiary undertakings

Persimmon Group subsidiary companies

The following companies, included in these consolidated accounts, are wholly owned by the Persimmon Group and are incorporated in the UK unless otherwise stated. Persimmon Plc or its subsidiary companies also hold all of the voting rights unless otherwise stated. The Registered Office for each company is Persimmon House, Fulford, York, YO19 4FE unless otherwise stated.

Name of undertaking	Description of shares held
@Home Limited	Ordinary* and 3.5% Preference*
A.E.A Prowting Limited	Ordinary*
A Monk & Company Developments (S.W.) Limited	Ordinary* and Deferred*
Alford Brothers Limited	Ordinary*
Anjok 157 Limited	Ordinary*
Anjok 171 Limited	Ordinary*
Anjok 172 Limited	Ordinary*
Anjok 173 Limited	Ordinary*
Anjok 269 Limited	Ordinary* and Deferred*
Anjok 28 Limited	Ordinary* and 8% Preference*
Anjok 31 Limited	Ordinary*
Anjok Five (1996) Limited	Ordinary*

Notes to the financial statements continued

For the year ended 31 December 2025

34 Details of all subsidiary undertakings continued

Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Anjok Holdings Limited	Ordinary* and Deferred*
Anjok Investments Limited	Ordinary*
Anjok Twenty Limited	A Ordinary* and B Ordinary*
Anjok Two Limited	Ordinary*
Aria Homes Limited	A Ordinary* and B Ordinary*
Arthur S Nixon and Company	1% Non-Cumulative Preference* and Ordinary*
Aspect Homes Limited	Ordinary*
Atlantis One Limited	Ordinary* and Preference*
Beazer Group Limited	Ordinary*
Beazer Homes (Anglia) Limited	Deferred* and A Ordinary*
Beazer Homes (Barry) Limited	Ordinary*
Beazer Homes (FLE) Limited	A Ordinary* and B Ordinary*
Beazer Homes (FNLHS) Limited	Ordinary*
Beazer Homes (South Wales) Limited	Ordinary*
Beazer Homes (Wessex) Limited	Ordinary*
Beazer Homes and Property Limited	Ordinary*
Beazer Homes Bedford Limited	Deferred* and A Ordinary*
Beazer Homes Birmingham Central Limited	Deferred* and A Ordinary*
Beazer Homes Bridgwater Limited	Deferred* and A Ordinary*
Beazer Homes Bristol Limited	Deferred* and A Ordinary*
Beazer Homes Cardiff Limited	Deferred* and A Ordinary*
Beazer Homes Doncaster Limited	Deferred* and A Ordinary*
Beazer Homes Edinburgh Limited	Deferred* and A Ordinary*
Beazer Homes Glasgow Limited	Deferred* and A Ordinary*
Beazer Homes Limited	Ordinary*, Deferred* and A Ordinary*
Beazer Homes Nottingham Limited	Ordinary*
Beazer Homes Reigate Limited	Ordinary*
Beazer Homes Stockport Limited	Deferred* and A Ordinary*
Beazer Homes Yateley Limited	Deferred* and A Ordinary*
Beazer London Limited	Ordinary*
Beazer Partnership Homes (Scotland) Limited	Ordinary*
Beazer Partnership Homes Midlands Limited	Ordinary*

Name of undertaking	Description of shares held
Beazer Swaffham Limited	Ordinary*
Beazer Urban Developments (Anglia) Limited	Deferred* and A Ordinary*
Beazer Urban Developments (Bedford) Limited	Ordinary*
Beazer Urban Developments (East Midlands) Limited	Ordinary*
Beazer Urban Developments (South West) Limited	Ordinary*
Beazer Western Engineering Services Limited	Ordinary*
Belsco 1020 Limited	Ordinary*
Breakblock Limited	Ordinary*
Broomco (3385) Limited	Ordinary*
Bruce Fletcher (Leicester) Limited	Ordinary*
Charles Church Civil Engineering Limited	Ordinary*
Charles Church Developments Limited	Ordinary*
Charles Church Essex Limited	Ordinary*
Charles Church Estates Limited	Ordinary*
Charles Church Holdings plc	A Convertible Ordinary*, B Ordinary*, B Redeemable Preference*, C Preference*, D Ordinary*, D Preference*, Deferred*, E Deferred*, E Ordinary* and Preference*
Charles Church Housing Limited	Ordinary*
Charles Church Investment Properties Limited	Ordinary*
Charles Church Kent Limited	Ordinary*
Charles Church Limited	Ordinary*
Charles Church London Limited	Ordinary*
Charles Church Management Limited	Ordinary*
Charles Church Partnership Homes Limited	Ordinary*
Charles Church Residential Developments Limited	Ordinary*
Charles Church South East Limited	Ordinary*
Charles Church Southern Limited	Ordinary*
Charles Church Thames Valley Limited	Ordinary*
Charles Church Trading Limited	Ordinary*
Charles Church Village Heritage plc	Ordinary*
Coatglade Limited	Ordinary*
Comben Group Limited	A Deferred Ordinary, B Deferred Ordinary and Ordinary
Cresswellshawe Properties Limited	Ordinary* and 3.5% Preference*
Crowther Homes (Darlington) Limited	Ordinary*
Crowther Homes (Midland) Limited	Ordinary*

34 Details of all subsidiary undertakings continued

Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Crowther Homes (Nat W) Limited	Ordinary*
Crowther Homes (Yarm) Limited	Ordinary*
Crowther Homes Limited	Ordinary*
D Dunk (Builders) Limited	Ordinary*
D R Dunthorn & Son Limited	Deferred*, Deferred* and Ordinary*
Datblygwyr Dorothea Limited (94% of nominal value owned)	Ordinary*
Delany Brothers (Housebuilders) Limited	Ordinary* and Preference*
Domus Group Limited	Deferred*, Deferred* and A Ordinary*
E.E. Reed & Co. (Builders) Limited	Ordinary*
E F G H Limited	Ordinary*
E F G H Nominees Limited	Ordinary*
Emerson Park Limited	Ordinary*
F C Spear Limited	Ordinary*
Ferry Quay Developments Limited	A Ordinary*, B Ordinary* and C Ordinary*
Flex Fibre Limited	Ordinary*
FibreScale Limited	Ordinary*
Frays Property Management (No.1) Limited	Ordinary*
Frays Property Management (No.2) Limited	Ordinary*
Frays Property Management (No.6) Limited	Ordinary*
Friary Homes Limited	Ordinary*
Galliford Developments Limited	Ordinary*
Galliford Homes (London) Limited	A Ordinary* and B Ordinary*
Galliford Homes Holdings Limited	A Ordinary*, B Ordinary* and Preference*
Galliford Homes Limited	Ordinary*
Galliford Properties Southern Limited	Ordinary*
Galliford Southern Limited	Ordinary*
Geo. Wright & Co. (Contractors Wolverhampton) Limited	Deferred*, A Deferred* and A Ordinary*
Glamford Building Company Limited	Ordinary*
Gomersal Mills Limited	Deferred* and Ordinary*
Gosforth Business Park Management Company (No.2) Limited	Ordinary*
Haven Retirement Homes Limited	Ordinary*
Hazels Development Company Limited	A Ordinary* and B Ordinary*

Name of undertaking	Description of shares held
Hillreed Developments Limited	Ordinary*
Hillreed Holdings Limited	Ordinary*, Management Shares* and Cumulative Preference*
Hillreed Homes Limited	Ordinary*
Hillreed Properties Limited	Ordinary*
Horsebridge Network Systems Limited	A Ordinary*
Ideal Developments Limited	Ordinary*
Ideal Homes (UK) Limited	Ordinary*
Ideal Homes Anglia Limited	Ordinary*
Ideal Homes Central Limited	A Non-Voting Ordinary* and B Ordinary*
Ideal Homes Holdings Limited	Deferred and Ordinary
Ideal Homes Limited	Ordinary*
Ideal Homes Midlands Limited	Ordinary*
Ideal Homes North West Limited	Ordinary*
Ideal Homes Northern Limited	Ordinary*
Ideal Homes Scotland Limited	Ordinary*
Ideal Homes Services Limited	Ordinary*
Ideal Homes Southern Limited	Ordinary*
J.W. Liptrot & Company Limited	Ordinary*
Jaboulet Limited	Ordinary*
John Maunders Group Limited	Ordinary*
Kenton Contracting (Yorkshire) Limited	Ordinary*
Kenton Contractors (Yorkshire) Limited	Ordinary*
Kenton Homes (Builders) Limited	Ordinary*
Kenton Homes (Developments) Limited	Ordinary*
Kenton Homes (Estates) Limited	Ordinary*
Knightsmoor Homes Limited	Ordinary*
Lady's Lane Property Co. Limited	Ordinary*
Lansdown Homes Limited	Ordinary*
Lazy Acre Investments Limited	Ordinary*
Leech Homes (Showhouses) Limited	Ordinary*, 0.1% Non-Cumulative Preference A* and 1% Non-Cumulative Preference B*
Leech Homes (Wales) Limited	Ordinary*
Leech Homes (Yorkshire) Limited	Ordinary*
Leech Homes Limited	Deferred* and A Ordinary*

Notes to the financial statements continued

For the year ended 31 December 2025

34 Details of all subsidiary undertakings continued

Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Leech Northumbria Limited	Ordinary*
Leech Partnership Homes Limited	Ordinary*
Leisurama Homes Limited	Ordinary*
Linkway Properties Limited	Ordinary*
Locking Castle Limited	A Ordinary*, B Ordinary* and C Ordinary*
Lone Star Land Limited	A Ordinary* and B Ordinary*
Magnus Design Build Limited	Ordinary*
Magnus Holdings Limited	A Ordinary*, B Ordinary*, C Ordinary*, Enduring Ordinary* and Cumulative Redeemable Preference*
Mapleleigh Limited	Ordinary*
Marriott Homes Limited	Ordinary*
Maunders Homes (East Anglia) Limited	Ordinary*
Maunders Homes (Midlands) Limited	Ordinary*
Maunders Homes (North West) Limited	Ordinary*
Maunders Homes (South) Limited	Ordinary*
Maunders Inner City Limited	Ordinary*
Maunders Urban Renewal Limited	Ordinary*
Mayclose Research Limited	Ordinary*
Melville Homes Limited	A Ordinary*, B Ordinary*, C Ordinary*, Deferred* and Cumulative Redeemable Preference*
Merewood (Kendal) Limited	Ordinary*
Merewood Group Limited	Ordinary*
Merewood Homes Limited	Ordinary*
Merewood Investments Limited	Ordinary*
Mightover Limited	Ordinary
Milton Keynes Housing Group Limited	Ordinary*
Mitrebuild Limited	Ordinary* and Deferred Ordinary*
Monk Homes Limited	Ordinary*
Monsell Youell Construction Limited	Ordinary*
Monsell Youell Limited	Deferred* and A Ordinary*
Montague Developments Limited	Ordinary*
Mount Row Finance Limited	Ordinary*
Mount Row Securities Limited	Ordinary*
NGP Management Company Residential (Cell C) Limited	Ordinary*
Pacemaker Developments Limited	Ordinary*
Park House Developments (Petersfield) Limited	Ordinary*
Partnership Homes Limited	Ordinary*
Pennant Developments Limited	Ordinary* and 5% Non-Cumulative Preference*
Pentra Limited	Ordinary*
Perlease Limited	Ordinary*
Persimmon (City Developments) Limited	Ordinary*
Persimmon (Eccleshall) Limited	Ordinary*
Persimmon (Share Scheme Trustees) Limited	Ordinary
Persimmon (SHL) Limited	Ordinary*
Persimmon (Strensall) Limited	Ordinary*
Persimmon Brickworks Limited	Ordinary*
Persimmon Developments (No 1) Limited	Ordinary*
Persimmon Developments (No 2) Limited	Ordinary*
Persimmon Developments (Didcot) Limited	Ordinary*
Persimmon Developments (No 5) Limited	Ordinary*
Persimmon Developments (No 6) Limited	Ordinary*
Persimmon Developments (No 7) Limited	Ordinary*
Persimmon DN Limited (Incorporated in Ireland)	Ordinary*
Persimmon Finance (Jersey) Limited (Incorporated in Jersey)	Ordinary
Persimmon Finance (No 2) Limited	Ordinary
Persimmon Finance Limited	Ordinary
Persimmon Harts Limited	Ordinary
Persimmon GR (No 4) Limited	Ordinary*
Persimmon GR (No 11) Limited	Ordinary*
Persimmon GR (No 12) Limited	Ordinary*
Persimmon GR (No 13) Limited	Ordinary*
Persimmon GR (No 14) Limited	Ordinary*
Persimmon GR (No 15) Limited	Ordinary*
Persimmon GR (No 16) Limited	Ordinary*
Persimmon GR (No 17) Limited	Ordinary*
Persimmon Holdings Limited	Ordinary and A Ordinary*
Persimmon Homes (Anglia) Limited	Ordinary*

34 Details of all subsidiary undertakings continued

Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Persimmon Homes (Doncaster) Limited	Ordinary*
Persimmon Homes (East Midlands) Limited	Ordinary*
Persimmon Homes (East Scotland) Limited	Ordinary*
Persimmon Homes (East Yorkshire) Limited	Ordinary*
Persimmon Homes (Edmonstone) Limited	Ordinary
Persimmon Homes (Essex) Limited	Deferred* and A Ordinary*
Persimmon Homes (Lancashire) Limited	Ordinary*
Persimmon Homes (Mercia) Limited	Ordinary*
Persimmon Homes (Midlands) Limited	Ordinary*
Persimmon Homes (North East) Limited	Ordinary*
Persimmon Homes (North Midlands) Limited	Ordinary*
Persimmon Homes (North West) Limited	Ordinary*
Persimmon Homes (Partnerships) Limited	Ordinary
Persimmon Homes (South Coast) Limited	Ordinary*
Persimmon Homes (South East) Limited	Ordinary*
Persimmon Homes (South Midlands) Limited	Deferred* and A Ordinary*
Persimmon Homes (South West) Limited	Ordinary*
Persimmon Homes (South Yorkshire) Limited	Ordinary*
Persimmon Homes (Teesside) Limited	Ordinary*
Persimmon Homes (Thames Valley) Limited	Ordinary*
Persimmon Homes (Wales) Limited	Ordinary*
Persimmon Homes (Wessex) Limited	Ordinary*
Persimmon Homes (West Midlands) Limited	Deferred* and A Ordinary*
Persimmon Homes (West Scotland) Limited	Ordinary*
Persimmon Homes (West Yorkshire) Limited	Ordinary*
Persimmon Homes (Woodley) Limited	Ordinary
Persimmon Homes (York) Limited	Ordinary
Persimmon Homes (Yorkshire) Limited	Deferred* and Ordinary*
Persimmon Homes Developments Limited	Ordinary
Persimmon Homes Limited	Ordinary*
Persimmon Partnerships (Scotland) Limited	Ordinary*
Persimmon Pension Trustees Limited	Ordinary
Persimmon Residential Limited	Ordinary*

Name of undertaking	Description of shares held
Persimmon SC (No 1) Limited	Ordinary*
Persimmon SC (No 2) Limited	Ordinary*
Persimmon SC (No 3) Limited	Ordinary*
Persimmon SC (No 4) Limited	Ordinary*
Persimmon SC (No 5) Limited	Ordinary*
Persimmon SC (No 6) Limited	Ordinary*
Persimmon SC (No 8) Limited	Ordinary*
Persimmon Scottish Limited Partnership**	n/a
Persimmon Scottish Pension Trustees Limited	Ordinary
Persimmon Shared Equity Limited	Ordinary
Persimmon Tileworks Limited	Ordinary*
Persimmon Trustees Limited	Ordinary
Pinnacle Developments (Scotland) Limited	Ordinary*
Practical Finance Co. Limited	Ordinary*
Prowting Homes Anglia Limited	B Ordinary*, C Ordinary* and D Ordinary*
Prowting Homes Central Limited	Ordinary*
Prowting Homes Chatsworth Limited	Ordinary*
Prowting Homes Limited	Ordinary*
Prowting Homes Ludlow Limited	Ordinary*
Prowting Homes Midlands Limited	Ordinary*
Prowting Homes South East Limited	Ordinary*
Prowting Homes South West Limited	Ordinary*
Prowting Homes West Limited	Ordinary*
Prowting Homes Wolds Limited	Ordinary*
Prowting Limited	Ordinary*
Prowting Projects Limited	Ordinary*
Prowting Properties Limited	Ordinary*
Repac Homes Limited	Ordinary*
SLB Construction Management Limited	Ordinary*
Second City Homes Limited	Deferred* and A Ordinary*
Senator Homes Limited	Ordinary*
Sequoia Developments Limited	Ordinary*
Severnbrook Homes Limited	Ordinary*
Sherbourne Properties (Warwick) Limited	Ordinary*
Space4 Limited	Ordinary*

Notes to the financial statements continued

For the year ended 31 December 2025

34 Details of all subsidiary undertakings continued

Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Springfir Estates Limited	Ordinary*
Springfir Holdings Limited	Ordinary*
Steelhaven (7) Limited	Ordinary* and 1% Non-Cumulative Redeemable Participating Preference*
Tamborough Developments Limited	Ordinary*
Tela Properties Limited	Ordinary*
The Charles Church Group Limited	A Ordinary*
The Charles Church Group Share Trustees Limited	Ordinary*
Townedge (Holdings) Limited	Ordinary*
Townedge Estates Limited	Ordinary*
Trent Park Regeneration Limited	A Ordinary* and B Ordinary*
Tryall Developments Limited	Ordinary*
Tudor Jenkins & Company Limited	Ordinary*
Walker Homes (Scotland) Limited	Ordinary*
Wardour Limited (Incorporated in Gibraltar)	Ordinary*
Wenshaw Limited	Ordinary*
Wescott Holdings Limited	Ordinary*
Wescott Homes Limited	Ordinary*
Wescott Land Limited	Ordinary*
Westbury Direct Limited	Ordinary*
Westbury Homes (Holdings) Limited	Irredeemable Preference*, Ordinary*, Deferred* and 9.25% Preference*
Westbury Homes (Midlands) Limited	Ordinary*
Westbury Homes (Oval) Limited	Ordinary*
Westbury Homes (Severnside) Limited	Ordinary*
Westbury Homes (Somerset) Limited	Ordinary*
Westbury Homes (South West) Limited	Ordinary*
Westbury Homes (Stadium) Limited	Ordinary*
Westbury Homes (Venymore) Limited	A Ordinary* and B Ordinary*
Westbury Homes (Wales) Limited	Ordinary*
Westbury Homes (West Midlands) Limited	Ordinary*
Westbury Homes Limited	Ordinary*
Westbury Housing Investments Limited	Ordinary*
Westbury Limited	Ordinary
William Leech Builders (North West) Limited	Ordinary*
William Leech Limited	Ordinary* and 6.5% Cumulative Preference*

Joint arrangements

Name of undertaking	Description of shares held	Proportion of nominal value of share class held	Proportion of all share classes
Beechpath Limited	Ordinary	50%	50%
Bentwaters Housing Limited	Ordinary	50%	50%
Bentwaters Nominees Limited	Ordinary	50%	50%
Coton Park Consortium Limited[5]	WD	50%	25%
Cramlington Developments Limited	A Ordinary	100%	50%
Emersons Green Urban Village Limited[6]	B Shares	100%	45.6%
Genesis Estates (Manchester) Limited[7]	Ordinary	50%	50%
Gosforth Business Park Management Company Limited	A Ordinary	100%	33.3%
Haydon Development Company Limited	Ordinary	20.5%	20.5%
KSW (Chesterton) Limited[9]	C Ordinary	100%	33.3%
KSW (Evesham) Limited[9]	Ordinary	33.3%	33.3%
KSW Brize Norton Limited[9]	C Ordinary	100%	33.3%
KSW Daventry Limited[9]	Ordinary	33.3%	33.3%
Leebell Developments Limited	A Ordinary	100%	50%
Newcastle Great Park (Estates) Limited[10]	A Ordinary	100%	50%
North Haven Developments (Sunderland) Limited	B Ordinary	100%	50%
North Swindon Development Company Limited[11]	Ordinary	15%	15%
Oxfordshire Land Limited	Ordinary	33.3%	33.3%
Quedgeley Urban Village Limited[6]	C Ordinary	100%	25%
Rothley Temple Estates Limited[12]	Ordinary	28.5%	28.5%
Sociedade Torre de Marinha Realizacoes Turisticas SA (incorporated in Portugal)[13]	Ordinary	50%	50%
Trafalgar Metropolitan Homes Limited	A Ordinary	100%	50%
Triumphdeal Limited[14]	Ordinary	50%	50%
Wick 3 Nominees Limited	B Ordinary	100%	33.3%

* Share class held by another Group company, but ultimately held by Persimmon Plc.

** A Scottish Limited Partnership.

1. 180 Findochty Street, Garthamlock, Glasgow, G33 5EP
2. 10 Earlsfort Terrace, Dublin 2, D02 T380, Ireland

34 Details of all subsidiary undertakings continued

Joint arrangements continued

3. 44 Esplanade, St Helier, JE4 9WG, Jersey
4. 3 Bell Lane, Gibraltar
5. The Office, 12 Westfield Close, Gravesend, Kent, DA12 5EH, United Kingdom
6. 250 Aztec West, Almondsbury, Bristol, BS32 4TR, United Kingdom
7. 6 Europa Court, Sheffield Business Park, Sheffield, S9 1XE, England
8. 6 Drakes Meadow, Penny Lane, Swindon, Wiltshire, England, SN3 3LL, United Kingdom
9. 1 High Street, Henley-In-Arden, England, B95 5AA
10. Cheviot House, Beaminster Way East, Newcastle Upon Tyne, Tyne and Wear, NE3 2ER, United Kingdom
11. 6 Drakes Meadow, Penny Lane, Swindon, Wiltshire, SN3 3LL
12. 137 Scalby Road, Scarborough, North Yorkshire, YO12 6TB
13. Av. Duque de Loulé 47-2, 1050-086, Lisbon, Portugal
14. Gate House , Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR

Audit exemption

The subsidiaries listed in the table below have adopted the exemption from audit available under section 479A of the Companies Act 2006 for the year ended 31 December 2025; the subsidiaries are 100% owned, either directly or indirectly, by Persimmon Plc. In accordance with section 479C of the Companies Act 2006, Persimmon Plc will guarantee the outstanding liabilities of the subsidiaries listed in the table below.

Subsidiary	Company number
Anjok Investments Limited	09497717
Merewood Group Limited	01967047
Pentra Limited	02782107
Persimmon Developments (Didcot) Limited	06252681
Persimmon Homes Developments Limited	02572895
Persimmon Scottish Pension Trustees Limited	SC435631
Westbury Housing Investments Limited	06252707

Resident Management Companies

The companies listed below are Resident Management Companies ('RMCs') currently controlled by the Group. Control is exercised by the Group's power to appoint Directors and the Group's voting rights in these companies. All RMCs are companies limited by guarantee without share capital (unless otherwise stated) and incorporated in the UK.

The capital, reserves and profit or loss for the year have not been stated for these RMCs as beneficial interest in any assets or liabilities of these companies is held by the residents. These companies have not been included in the consolidated accounts, are temporary members of the Group and will be handed over to residents in due course.

The Registered Office of each RMC is Persimmon House, Fulford, York, YO19 4FE (unless otherwise stated).

Company name

1P Valley Park (Didcot) Management Company Limited

Abbey Green (Amesbury) Management Company Limited

Abbeyvale Taunton Management Company Limited[1]

Abbot Walk (Chatteris) Residents Management Company Limited

Abbotsham Park (Bideford) Management Company Limited

Ackton Pastures(Castleford) Management Company Limited

Agusta Park Flats Yeovil Management Company Limited[1]

Agusta Park Yeovil Management Company Limited

Alderman Park (Hasland) Management Company Limited

Aldhurst View (Leiston) Residents Management Company Limited

Allt Y Celyn (Rhos) Management Company Limited

Amberwood (Carlisle) Management Company Limited

Amblehurst Green (Billingshurst) Management Company Limited[2]

Amherst Hill (Brompton) Management Company Limited[3]

Appledore Grove Management Company Limited

Arnold Way (Grove) Management Company Limited

Arnold Way No. 2 (Grove) Management Company Limited

Arnold Way No. 3 (Grove) Management Company Limited

Ashworth Place (Phase 2) Management Limited

Augusta Park (Dinnington) Management Company Limited[4]

Avalon (Mansfield) Management Company Limited[5]

Avon Fields (Durrington) Management Company Limited

Notes to the financial statements continued

For the year ended 31 December 2025

34 Details of all subsidiary undertakings continued

Resident Management Companies continued

Company name continued

Awel Afan (Port Talbot) Management Company Limited

Awel Y Mynydd (Pembrey) Management Company Ltd

Aykley Woods (Durham) Management Company Limited[6]

Aylesham Village Phase 1B (Aylesham) Residents Management Company Limited

Aylesham Village Phase 2 (Aylesham) Residents Management Co Ltd

Aylesham Village Phase 2B and 2C (Aylesham) Residents Management Company Limited

Backbridge (Malmesbury) Management Company Limited

Badbury Park (Swindon) Management Company Limited

Badbury Park (Swindon) No 2 Management Company Limited

Badbury Park (Swindon) No 3 Management Company Limited

Bannerbrook Management Company Limited[7]

Bannerbrook Park Phase II (Coventry) Management Company Limited

Barber Court (Birmingham) Management Company Limited

Barrington Park Management Company Limited[8]

Barry Waterfront Residents Management Company Limited[9]

Beamhill Heights Management Company Limited[10]

Beauchamp Grange (Caister) Residents Management Company Limited

Beckets Grove Management Company Limited

Beckets Grove Phase 2 (Wymondham) Residents Management Company Limited

Beckford Road (Alderton) Management Company Limited

Belgrave Court (Cheltenham) Management Company Limited[9]

Bell Lane (Little Chalfont) Management Company Limited

Berrow Court Management Company Limited[9]

Birchwood Manor (Wardley) Residents Management Company Limited

Bishops Green (Coundon) Management Company Limited

Bishops Mead (Lydney) Management Company Limited

Bishops Meade (Downton) Management Company Limited

Bluebell Grange Residents Management Company Limited

Bluebell Meadow (Bradwell) Management Company Limited

Bluebell Wood (Willenhall) Management Company Limited[1]

Bootham Crescent (York) Residents Management Company Limited

Boulton Moor (Derby) Properties Limited

Boyton Place (Haverhill) Residents Management Company Limited

Brackenleigh (Carlisle) Management Company Limited

Bradley Barton View Management Company Limited

Bradley Park (Market Weighton) Residents Management Company Limited

Bramble Rise (Hetton) Management Company Limited

Bramblewood (Old Basing) Residents Management Company Limited[9]

Brampton Vale (Rotherham) Management Company Limited

Branshaw Park (Keighley) Management Company Ltd

Brascote Park Management Company Limited

Bridgefield (Ashford) Management Company Limited

Bridgefield Nine Management Company Limited

Brindle Park (Bamber Bridge) Management Company Limited[11]

Broadway (Rainham) Residents Management Company Limited

Brockeridge Road (Twyning) Resident Management Company Limited[1]

Brockhill East (Redditch) Management Company Limited

Brookfield (Golborne) Management Company Limited[8]

Broomhill View (Togston) Residents Management Company Limited

Buckton Place (Leiston) Residents Management Company Limited

Bugbrooke Road (Kislingbury) Management Company Limited[12]

Burfield Valley Estate Management Limited[13]

Buttercup Leys (Boulton Moor) Residential Management Company Limited

Buzzard Meadows (Leighton Buzzard) Residents Management Company Limited[14]

Canalside (Burton upon Trent) Residential Management Company Limited

Canonbury Rise (Berkeley) Management Company Limited

Carleton Meadows Management Company Limited

Carn Y Cefn RMC Ltd[15]

Carpenters Field (Denmead) Management Company Limited

Castellum Grange (Colchester) Residents Management Company Limited

Castle Hill (Cottingham) Management Company Limited

Castle Park (West Durrington) Management Company Limited

Castle View (Netherton) Management Company Limited

Castlemead (953) Trowbridge Management Company Limited

Castlemead (Persimmon 950) Town Trowbridge Limited

Castlemead (Persimmon 964) Town Trowbridge Limited

Castleton Grange (Eye) Residents Management Company Limited

Cathedral Court (Salisbury) Management Company Limited

Cathedral Gate (Salisbury) No.2 Management Company Limited[9]

Cathedral View (Durham) Management Company Limited

Cayton Meadows (Scarborough) Management Company Limited

Central Square (Stroud) Management Company Limited[9]

Century Rise (Emersons Green) Management Company Limited

Chancery Park (Exning) Residents Management Company Limited

Charlton Place (Keynsham) Management Company Limited

Chaucers Meadow (North Petherton) Management Company Limited

Chilmark Glade Management Company Limited

Chorley G 1 Management Company Limited[11]

Chosen View (No. 2) Management Company Limited[9]

Church Lane (Deal) Residents Management Company Limited

Clarence Place (Bracknell) Residents Management Company Limited

Cloatley Cresent Management Company Limited

Clos Ty Gwyn (Hendy) Management Company Limited

Clover Chase (Lingwood) Residents Management Company Limited

34 Details of all subsidiary undertakings continued

Resident Management Companies continued

Company name continued

Cloverlea Gardens (Kingswood) Management Company Limited

Coastal Dunes (Lytham St Annes) Management Company Limited

Coatham Vale and Berrymead Gardens Residents Management Company Limited[4]

Cobbydale Rise (Silsden) Residents Management Company Limited[11]

Coed Darcy (Llandarcy) Management Company Limited

College Park (Thurston) Residents Management Company Limited

Colliers Walk (Nottingham) Management Company Limited[11]

Colonial Wharf (Chatham) Residents Management Company Limited

Constable Vale (Hadleigh) Residents Management Company Limited

Coopers Grange (Bishops Stortford) Resident Management Company Ltd[16]

Copperfield Place (Chelmsford) Residents Management Company Limited

Copperfield Truro Management Company Limited

Coquet Grange (Amble) Management Company Limited[4]

Corelli Sherborne Management Company Limited

Cote Farm (Thackley) Management Company Limited

Coton Park (Rugby) Management Company Limited

Cotswold Vale (Long Marston) Management Company Limited[1]

Coverdale Paignton Management Company Limited[1]

Cricketers Green (Forton) Residents Management Company Limited

Crofton Walk (Fair Oak) Management Company Limited

Cromwell Gardens (Huntingdon) Residents Management Company Limited

Cromwell Place (Little Dunmow) Residents Management Company Limited

Cross Quays (Westwood) Management Company Limited

Cross Quays Phase 2 (Thanet) Residents Management Company Limited

Crownfield Court (Windlesham) Management Company Limited

Cumnor Hill Management Company Limited

Cwrt Y Llwyfen (Johnstown) Management Company Limited

Cygnet Grange (Swanmore) Residents Management Company Limited

Daisy Hill (Morley) Management Company Limited

Daisy's View (Burbage) Management Company Limited

Dan Y Bryn Management Company Limited

Dartford Bow Arrow (Management Company) Limited[17]

De Lucy Place (Ongar) Residents Management Company Limited[8]

De Vere Grove (Colchester) Residents Management Company Limited

Deerwood Park (Colne) Management Company Limited

Dol Yr Ysgol (Bridgend) Management Company Limited

Douglas Gardens (Hesketh) Management Company Ltd[11]

Downs View (Swanley) Residents Management Company Limited

Dukes Meadow (Tangmere) Management Company Limited[9]

D'Urton Heights (Preston) Management Company Limited

Earlesmead (Framingham Earl) Residents Management Company Limited

East Benton Rise (Benton) Management Company Limited

Eclipse House (Andover) Management Company Limited

Edinburgh Park (Liverpool) Management Company Limited[11]

Elkas Rise (Ilkeston) Management Company Limited

Ellesmere Park (The Oaks) Management Company Limited[8]

Ellis Mews (Micheldever) Management Company Limited[13]

Elm Farm (Wymondham) Residents Management Company Limited

Elm Rise (Birtley) Residents Management Company Limited

Emily Fields (Swansea) Management Company Limited

Eton Place (Bracknell) Management Company Limited

Eve Parc (Falmouth) Management Company Limited

Everingham Place (Cantley) Residents Management Company Limited

Fair Mile Rise (Blandford St Mary) Management Company Limited

Fairfax Mews Crediton Management Company Limited[1]

Fairmoor (Morpeth) Management Company Limited

Fairways (Retford) Management Company Limited

Fallow (Benton) Residents Management Company Limited

Farleigh Fields (Backwell) Management Company Ltd

Farley Fields South Petherton Management Company Limited[1]

Fatherford View (Okehampton) Management Company Limited

Festival Park (Easton) Residents Management Company Limited

Fiddington Fields (Tewkesbury) Management Company Limited

Fishpool Hill Bristol Management Company Limited

Fleckney Road Management Company Limited

Flint Grange (Clacton) Residents Management Company Limited

Foley Gardens (Newent) Residential Management Company Limited[1]

Folly Grove (Hockley) Residents Management Company Limited

Forest View (Calverton) Management Company Limited

Forge Wood (Crawley) Management Company Limited[18]

Foundry Meadows (Bexhill) Residents Management Company Limited

Foxes Chase (Anlaby) Residents Management Company Limited

Foxfields (Stoke-on-Trent) Management Company Limited

Foxley Park (Dereham) Residents Management Company Limited

Garden Valley (Aylesham) Residents Management Company Limited[13]

Garendon Park Residents Management Company Ltd

George Ward Gardens (Melksham) Management Company Limited

Germany Beck (Fulford) Management Company Limited

Gilden Park (Old Harlow) Resident Management Company Limited[11]

Gipping Mill (Great Blakenham) Residents Management Company Limited

Glan Yr Afon (Swansea) Management Company Limited

Golwg Y Glyn (Fforest) Management Company Limited[9]

Gotherington Grange Resident Management Company Limited

Grange Paddocks (Stanway) Residents Management Company Limited

Notes to the financial statements continued

For the year ended 31 December 2025

34 Details of all subsidiary undertakings continued

Resident Management Companies continued

Company name continued

Grangewood Park (Burnham On Crouch) Residents Management Company Limited

Grayling Gate (Ringmer) Management Company Limited

Grays Court (Orpington) Residents Management Company Limited[13]

Great Western Park (Didcot) No 1 Management Company Limited

Great Western Park (Didcot) No 2 Management Company Limited

Great Western Park (Didcot) No 3 Management Company Limited

Great Woodcote Park Exeter Management Company Limited

Greatham Meadow Resident Management Company Limited[19]

Greenacres (Easington) Management Company Limited

Greenfields (Narberth) Management Company Limited

Greenwood Place (Chinnor) Management Company Limited[2]

Greetwell Fields (Lincoln) Residents Management Company Limited

Griffin Wharf (Ipswich) Residents Management Company Limited

Grove Street (Raunds) Residents Management Company Limited

Hailes Wood (Elsenham) Residents Management Company Limited

Hakewill Mews (Thurston) Residents Management Company Limited

Hamilton Gate (Frinton) Residents Management Company Limited

Hampton Gardens Phase 3 (Peterborough) Residents Management Company Ltd

Hampton Park (Littlehampton) Residents Management Company Limited

Hansons Reach (Stewartby) Residents Management Company Limited

Hanwell Chase (Banbury) Residents Management Company Limited

Harbourside View (Portchester) Management Company Limited

Harbury Lane (Warwick) Management Company Limited

Hardings Wood (Kidsgrove) Residents Management Company Limited[8]

Harebell Meadows and Hartburn Grange Residents Management Company Limited[8]

Harford Mews Ivybridge Management Company Limited[1]

Harlands Park (Uckfield) Residents Management Company Limited

Harlestone Grange (Dallington) Management Company Limited[20]

Harlow Fields (Mackworth) Residential Management Company Limited

Harlow Hill Grange (Harrogate) Management Company Limited

Harpur Hill (Buxton) Residents Management Company Limited[8]

Harrow View West (Harrow) Residents Management Company Limited

Hartley Grange (Whittlesey) Residents Management Company Limited

Hartnells Farm Management Company Limited

Hastings Place (Bentley) Management Company Limited

Hatchwood Mill (Winnersh) Management Company Limited

Hathern Road (Shepshed) Management Company Limited[1]

Hauxley Grange (Amble) Residents Management Company Limited

Hauxley View (North East) Management Company Limited

Hawthorn Chase (Aston Clinton) Residents Management Company Limited

Hawthorn Park (Leominster) Management Company Limited

Hawthorne Farm (Clitheroe) Management Company Limited[8]

Haybridge (Wells) Management Company Limited[9]

Haywards Gardens (Kegworth) Man Co. Limited[20]

Haywood Heights (Writhlington) Management Company Limited

Hazel Brook Management Company Limited[13]

Hazelmere (Flockton) Management Company Limited

Heathfield Gardens (Phase 7) Management Company Limited

Heathpark Wood (Windlesham) Management Company Limited

Hellingly 415 Residents Management Company Limited

Hellingly 416 Management Company Limited

Hellingly 418 Management Company Limited

Hepburn Chase Management Company Limited[1]

Heritage Gate (Llantwit Major) Residents Management Company Limited

Heritage Green (Newbottle) Management Company Limited[21]

Heritage Park (Shinfield) Residents Management Company Limited

Heritage Park (Sutton Courtenay) Residents Management Company Limited

Herne Vale Ilminster Management Company Limited

Herons Park (Angmering) Management Co Ltd

Herrington Grange (Philadelphia) Management Company Limited

Hethersett Residents Management Company Limited[11]

Heugh Hall (Coxhoe) Residents Management Company Limited

Higham Lane Management Company Limited

Highfield Farm (West Melton) Residents Management Company Limited

Highfield Gardens (Trowbridge) Management Company Limited[8]

Highfields Management (Littleport) Limited*[9]

Highland Park Estate Management Company Limited*[22]

Hill Barton Vale Exeter Management Company Limited

Hill Barton Vale Flats Exeter Management Company Limited

Hill Top View (Melton) Management Company Limited

Hillfield Meadows (Sunderland) Management Company Limited

Hillies View (Wombwell) Management Company Limited

Holdingham Grange (Sleaford) Residents Management Company Limited

Holly Fields (Birmingham) Management Company Limited

Homington Avenue (Swindon) Local Centre Management Company Limited

Honours Meadow (Rendlesham) Residents Management Company Limited

Horseshoe Meadows (Westbury) Management Company Limited

HRC (Ware) Residents Management Company Limited

Hunters Edge (Eaglescliffe) Residents Management Company Limited

Hurdle Court (Andover) Management Company Limited

Hydro (St Neots) Number One Management Company Limited

Imperial Park (Bristol) Management Company Limited[1]

Ingleby (Barwick) Management Company Limited

Inglewood (Paignton) Management Company Limited

Iwade Meadows (Iwade) Management Company Limited

34 Details of all subsidiary undertakings continued

Resident Management Companies continued

Company name continued

Iwade Meadows (Yalding Apartments Plots 74-79) Management Company Limited

James Avenue (Calne) Management Company Ltd[23]

Jasmine Gardens Management Company Limited

Jubilee Gardens (Warminster) Management Company Ltd

Jubilee Rise (Shepshed) Management Company Limited

KBM and Foxfields Residents Management Company Limited[4]

Kenilworth Gate Management Company Limited

Kennedy Place (Ulverston) Management Company Limited

Kings Grove Cranbrook Management Company Limited

Kingsbridge Court (Gorseinon) Management Company Limited

Kingsbury Gardens (St Albans) Residents Management Company Limited

Kingsbury Meadows (Wakefield) Management Company Limited

Kingsgate (Northallerton) Residents Management Company Limited

Kingsley Mews Management Company Limited

Kingsmead (Gloucester) Management Company Limited

Knights Court (Old Sarum) Management Company Limited

Knightswood Place (Rainham) Residents Management Company Limited

Ladgate Woods (Middlesbrough) Management Company Limited

Lakedale Whiteley Meadows (North Whiteley) Management Company Limited

Lakeside Edge (Peterborough) Residents Management Company Limited

Lambourn Meadow (Thatcham) Management Company Limited

Laneside (Morley) Residents Management Company Limited

Langford Bridge (Newton Abbot) Residents Management Company Limited

Larkbear Management Company Limited[9]

Lauder Mews Crediton Management Company Limited

Launds Field (Galgate) Management Company Limited

Laureate Heights Sidmouth Management Company Limited

Lavender Fields (South Wootton) Residents Management Company Ltd

Liberty Gate (Lakenheath) Residents Management Company Limited

Lime Tree Court Derby Management Company Limited

Limes Place (Upper Harbledown) Residents Management Company Limited

Lindale Park (Alverthorpe) Management Company Limited

Lindley Moor Meadows (Huddersfield) Management Company Limited

Lingfield Meadows (Houghton) Management Company Limited

Little Maltby Residents Management Company Limited

Llanilid Management Company Limited

Llanilltern Apartments RMC Ltd[15]

Llanilltern Village RMC Ltd[15]

Llys Ystrad (Bridgend) Management Company Limited[23]

Lodmoor Sands (Weymouth) Management Company Limited[9]

Longbridge Place (Longbridge) Management Company Limited

Longleaze Management Company Limited

Low Moor Meadows (Morley) Management Company Limited

Low Street (Sherburn In Elmet) Management Company Limited[21]

Lowen Bre Truro Management Company Limited

Lucknam Crescent (Swindon) Management Company Limited

Lythalls Lane (Coventry) Management Company Limited[1]

Maes Dyfed Management Company Limited

Maes Y Parc (Cross Hands) Management Company Limited

Maes Y Rhos (Ystradgynlais) Management Company Limited

Maiden Vale (Ryhope) Management Company Limited

Malt House Meadows (West Sompting) Residents Management Company Limited

Malvern Rise (Malvern) Management Company Limited

Malvern Vale (Malvern) Management Company Limited[1]

Manor Farm (Doncaster) Management Company Limited

Manor Farm (Micklefield) Management Company Limited

Manor Gardens (Selsey) Management Company Limited

Manor Park Residents Company Ltd[24]

Manor Park Sprowston Residents Management Company Limited[11]

Manor Place (Maidenhead) Residents Management Company Limited

Maple (129) Limited[25]

Maple (221) Limited[9]

Mariners Walk (Swansea) Apartment Management Company Limited*

Mariners Walk (Swansea) Management Company Limited*

Marshfoot Lane (Hailsham) Residents Management Company Limited

Martello Park (Pembroke) Management Company Limited

Martineau Gardens Harborne Management Company Limited[1]

Mascalls Grange (Paddock Wood) Residents Management Company Limited

Meadow View (Oundle) Management Company Limited

Meadow View (Redditch) Resident Management Company Limited[1]

Mendip Chase Management Company Limited[9]

Meon Way Gardens Management Company Limited[1]

Merchants Walk Cullompton No 2 Management Company Limited

Mercians Place Management Company Limited[1]

Meridian Place (Hertford) Residents Management Company Ltd

Merlins Lane (Scarrowscant) Management Company Limited

Mersey View (Bromborough Pool) Management Company Limited[6]

Mill Cross (Pevensey) Management Company Limited

Mill Gardens (Cullompton) Management Company Limited

Mill Valley (Pevensey) Residents Management Company Limited

Mill View (Willingdon) Management Company Limited

Millbeck Grange (Bowburn) Management Company Limited

Millennium Farm (New Waltham) Management Company Limited

Notes to the financial statements continued

For the year ended 31 December 2025

34 Details of all subsidiary undertakings continued

Resident Management Companies continued

Company name continued

Monkswood (Sacriston) Management Company Limited

Montfort Place (Odiham) Management Company Limited[11]

Montgomery Place (Frome) Management Company Ltd

Moorfield (Easington) Management Company Limited

Moorfield Park Management Company Limited[11]

Moorlands Walk (Sherburn) Management Company Limited

Morwick Green (Leeds) Management Company Limited

Mown Meadows (Crook) Residents Management Company Limited

Mulberry Grange (Castleford) Management Company Limited

Mulberry Grove (St Fagans Cardiff) Management Company Limited

Nautica Management Company Limited[25]

Nelson's Park (North Walsham) Residents Management Company Limited

Newman Fields (Soham) Residents Management Company Ltd

NGP Management Company (Cell A) Limited*[4]

NGP Management Company (Cell D) Limited*[4]

NGP Management Company (Cell E) Limited*[4]

NGP Management Company (Cell F) Limited*[4]

NGP Management Company (Commercial) Limited*[4]

NGP Management Company (Town Centre) Limited*[4]

NGP Management Company Residential (Cell G) Limited*[4]

Norton Hall Meadow Management Limited[11]

Oak Heights (Northiam) Residents Management Company Limited[13]

Oak Hill Rise (Chippenham) Management Company Limited

Oakcroft Chase (Stubbington) Management Company Limited

Oakhurst Village (Shirley) Management Company Limited

Oakland Gardens (Wilthorpe) Management Company Limited

Oakley Grange & Eden Villas (Cheltenham) Management Company Limited[1]

Oakwood Meadows Phase 4 (Stanway) Residents Management Company Limited

Oakwood Park (Wymondham) Residents Management Company Limited

Oakwood View (Brackla) Management Company Limited

Oakwood View (Weston-Super-Mare) Management Company Limited

Oast Court Farm Management Company Limited[26]

Orchard Croft (Diss) Residents Management Company Limited

Orchard Grove (Coxheath) Residents Management Company Ltd

Orchard Leaze Management Company Limited[13]

Orchard Manor (Cheddington) Residents Management Company Limited

Orchard Meadows (Iwade) Residents Management Company Limited

Orchard Mews Pershore Management Company Limited[1]

Otterham Park (Rainham) Residents Management Company Limited

Oundle Walk (Oundle) Residents Management Company Limited[8]

Oxley Springs (Milton Keynes) Management Company Limited

Oxley Springs 8B (Milton Keynes) Management Company Limited

P6 Wellington Gate (Grove) Managment Company Limited

Paddocks 21 (Andover) Management Company Limited

Palmerston Heights Plymouth Management Company Limited

Paragon Park (Coventry) Management Company Limited

Parc Brynderi (Llanelli) Management Company Limited

Parc Y Fron (Carmarthen) Limited

Parc Yr Onnen (The Limes) Management Company Limited

Parklands (Hessle) Residents Management Company Limited

Parrett Gardens (Langport) Management Company Limited

Pavilion Gardens (Monkton Heathfield) Management Company Limited

Pedlars Meadow (Swaffham) Residents Management Company Limited

Pembridge Court (Clehonger) Residents Management Company Limited[1]

Pen Y Castell (Caerphilly) Management Company Limited

Penny Pot Lane (Harrogate) Management Company Limited[4]

Perry Park View (Perry Barr) Management Company Limited[1]

Persimmon Gardens (Hindley) Management Company Limited[8]

Persimmon Gardens (Martham) Residents Management Company Limited

Persimmon Grange Framlingham Residents Management Company Limited

Persimmon Homes The Oaks (Selly Oak) Management Company Limited[1]

Phoenix Wharf (West Bromwich) Management Company Limited[1]

Picket 20 Management Company Limited

Picket Twenty Two (Andover) Management Company Limited

Pinewood Grange (Castleford) Management Company Limited

Port Marine Management Limited

Porth Y Dyffryn (Merthyr Tydfil) Residents Management Company Limited

Portland Park (Ashington) Management Company Limited

Pottery Gardens (Cheadle) Residents Management Company Limited[8]

Poverty Lane Management Company Limited[8]

Priory Green (Chilton Polden) Management Company Limited[1]

Priory Meadows (Bodmin) Management Company Limited

Q Gate and Jubilee Place Management Company Limited[8]

Quantock View Management Company Limited

Quinta Mews Management Company Limited[27]

Rackheath Residents Management Company Limited

Rainton Gardens (Chilton Moor) Management Company Limited

Rainton Meadows (Chilton Moor) Management Company Limited[21]

Ramsdell (Ashford Hill) Management Company Limited

Rectory Lane (Standish) Management Company Limited

Redhayes Management Company Limited[28]

Redland Grange (Cottenham) Residents Management Company Limited

Regency Grange (Forest Town) Management Company Limited

Regent Park (Calne) Management Company Limited

Regents Place (Chellaston) Management Company Limited[1]

Regents Village, Cheltenham Management Company Limited[8]

34 Details of all subsidiary undertakings continued

Resident Management Companies continued

Company name continued

Repton Park 18 (Ashford) Residents Management Company Limited

Repton Park 19-23 (Ashford) Residents Management Company Limited

Repton Park 8 & 10 (Ashford) Residents Management Company Ltd

Ridge Walk, Whiteley Meadows (North Whiteley) Management Company Limited

Rivendell (Gedling) Management Company Limited

River Walk Management Company Limited

Riverbourne Fields Management Company Limited

Rose Manor (Hadleigh) Residents Management Company Limited

Salterns (Terrington) Residents Management Company Limited

Saltram Meadow Plymouth Management Company Limited

Samford Gardens (Capel St Mary) Residents Management Company Limited

Sandfield Walk (Nottingham) Management Company Limited

Sandgate Drive (Kippax) Management Company Limited

Sandpipers (Minster) Residents Management Company Limited

Saxon Fields (Bridgwater) Management Company Limited

Saxon Grange (Shaftesbury) Management Company Limited

Saxon Grove (Purton) Management Company Limited

Saxon Meadow (Sutton on Trent) Residents Management Company Limited

Saxons Chase (Headcorn) Residents Management Company Limited

Scarlett Mews (Tiptree) Residents Management Company Limited

Scholar's Green (Northampton) Residents Management Company Limited[12]

Seaside Lane (Easington) Management Company Limited

Seaton Vale (Ashington) Residents Management Company Limited

Sharpes Meadow (Heybridge) Residents Management Company Limited

Sherborne Fields (Basingstoke) Management Limited

Sherborne Fields Apartments Ph6 (Basingstoke) Management Company Limited

Shilton Place (Coventry) Management Company Ltd[29]

Shirewood (Beighton Road) Management Company Limited

Silver Hill (Preston) Management Company Limited

Silverwood (Garforth) Management Company Limited

Solway View (Workington) Management Company Limited

Sovereign Quarter (Gillingham) Management Company Limited

Speckled Wood (Carlisle) Management Company Limited

Spring Meadows (Darwen) Management Company Limited[11]

St Andrews Park (Vine Lane 2A) Management Company Limited[1]

St Andrews Park 2B/3A (Churchill Road, Uxbridge) Management Company Limited[20]

St Andrews Ridge (Swindon) Management Company Limited

St Dunstans Place (Burbage) Management Company Limited

St Edeyrns Apartments (Cardiff) RMC Limited

St Edeyrns Village (Cardiff) Residents Management Company Limited

St Edmunds (Frome) Management Company Limited

St George (Lancaster) Management Company Limited

St Georges Keep Management Company Limited

St James Park (Bramley) Residents Management Company Limited

St Johns (Lichfield) Management Company Limited

St Michaels Place (Colchester) Residents Management Company Limited

St Michaels Way (South Ryhope) Residents Management Company Limited

St Oswalds Park (Gloucester) Management Company Limited[1]

St Oswalds Park Leachate Drain Management Company Limited*[25]

St Peters Place (Salisbury) Management Company Limited

Stanbridge Meadows (Petersfield) Management Company Limited

Stanford Meadows (Stanford-le-Hope) Residents Management Company Limited

Stanton Chase (Swindon) Management Company Limited

Staynor Hall 4 (Selby) Residents Management Company Limited

Staynor Hall K (Selby) Management Company Limited

Stephenson Park (Wallsend) Residents Management Company Limited

Stortford Fields (Bishops Stortford) (Persimmon) Resident Management Company Limited

Strawberry Fields Penryn Management Company Limited

Stream View Management Limited[27]

Swan Park (Dawlish) Management Company Limited

Sycamore Rise (Thame) Residents Management Company Limited

Tanners Meadow (Strood Green) Management Company Limited[2]

Tarraby View (Carlisle) Management Company Limited

Teasdale Place (Carlisle) Management Company Limited

Temple Gate (Burgess Hill) Resident Management Co Ltd

Templefields (Consett) Management Company Limited

The Acorns (Shirley) Management Company Limited[1]

The Alders (Gilwern) Residents Management Company Limited

The Blossoms (Blackburn) Management Company Limited[11]

The Boulevards (East Tilbury) Residents Management Company Limited

The Boulevards (Newport) Residents Management Company Limited

The Bridge (Dartford) 29 and 31A Residents Management Company Limited

The Bridles (Ffos Las) Management Company Limited[15]

The Carriages (Burscough) Management Company Limited

The Copse (Bridgwater) Management Company Limited[24]

The Cottons (Holmes Chapel) Management Company Limited

The Croft (Burgess Hill) Residents Management Company Limited

The Edge (Hempstead) Management Limited

The Glassworks (Knottingley) Management Company Limited

The Goldings Newquay Management Company Limited

The Grange (Chalfont St Peter) Management Company Ltd

The Grange (Chepstow) Limited

Notes to the financial statements continued

For the year ended 31 December 2025

34 Details of all subsidiary undertakings continued

Resident Management Companies continued

Company name continued

The Hamptons (Newcastle) Resident Management Company Limited[8]

The Haven (Swansea) Management Company Limited

The Hawthorns (Market Harborough) Management Company Limited

The Heath (Sandbach) Management Company Ltd[11]

The Hedgerows (Alsager) Management Company Ltd[8]

The Heights (Newark) Residents Management Company Limited

The Lancasters (Cambridge) Residents Management Company Limited

The Landings (Waddington) Residents Management Company Limited

The Links (Machynys East) Management Company Limited[9]

The Lodge (Sketchley) Management Company Limited

The Maples (Bewdley) Management Company Limited[8]

The Maples (Cressing) Residents Management Company Limited

The Maples (NGP) Management Company Limited

The Maples (Weston) Residents Management Company Limited

The Mile (Pocklington) Management Company Limited

The Oaklands (NGP) Residents Management Company Limited

The Paddocks (Aintree) Management Company Limited[8]

The Paddocks (Farcet) Residents Management Company Limited

The Paddocks (Highworth) Management Company Limited[8]

The Pastures (Lowton) Management Company Limited[8]

The Pavilion (Mansfield) Residents Management Company Limited

The Pinnacles Management Company (Thamesmead) Limited

The Poppies (Harleston) Management Company Limited

The Poppies Management Company Limited

The Quadrant (Whitney Crescent) Management Limited[24]

The Reeds Lower Halstow Management Ltd[27]

The Ridge (Lyde Green) Management Company Limited[13]

The Rosary (Emersons Green) Management Company Limited

The Rydons Exeter Number Two Management Company Limited

The Sands (Durham) Management Company Limited

The Shires (Oswaldtwistle) Management Company Ltd[11]

The Swallows Management Company Limited[24]

The View (Redditch) Management Company Limited[1]

The Weald (Easingwold) Management Company Limited

The Wickets (Penenden Heath) Residents Management Company Limited

The Willows (Downham Market) Residents Management Company Limited

The Windmills (Kirton) Residents Management Company Limited

Thonock Green (Gainsborough) Management Company Limited

Thornley Woods (Gateshead) Management Company Limited

Tilbury Fields (Oxford) Management Company Limited[11]

Tir Y Bont (Bridgend) Management Company Limited

Towcester Grange (Apartments) Residents Management Company Limited

Towcester Grange (Towcester) Residents Management Company Limited[20]

Trehenlis Gardens (Helston) Management Company Limited

Trelawny Place (Felixstowe) Residents Management Company Limited

Trevelyan Grange (Morpeth) Residents Management Company Limited

Trevethan Meadows Liskeard Management Company Limited

Trevithick Manor Park (Newquay) Management Company Limited

Trinity Fields (Clacton) Residents Management Company Limited

Trinity Pastures (Calvert Lane Hull) Residents Management Company Limited

Tundra Point (Emersons Green) Management Company Limited

Valley Heights (Frome) Management Company Limited[1]

Valley Park (Didcot) Management Company Ltd[8]

Village Mews (Southowram) Management Company Limited

Walmsley Park (Leigh) Management Company Ltd[8]

Watercress Way Management Company Limited[27]

Waterfield Place (Market Harborough) Residential Management Company Limited

Watermans Park (Gravesend) Residents Management Company Limited[6]

Waters Edge (Buckshaw) Management Company Limited

Waterside at the Bridge Management Company Limited

Watling Place (Newington) Residents Management Company Ltd

Weavers Meadow Estates Management Company Limited

Weavers Meadow Phase 2 (Hadleigh) Residents Management Company Limited

Weavers Place (Earl Shilton) Management Company Limited

Weavers Place (Skelmanthorpe) Management Company Limited

Weavers View (Pleasley Hill) Residents Management Company Limited

Weavers Wharf Apartments (Coventry) Management Company Limited

Weldon Park (Apartments) Residents Management Company Limited[30]

Wellington Gate (Grove) Management Company Limited

Wellington Gate (Maresfield) Management Company Limited

Wellington Mount (North Quadrant) Management Company Limited

Wentworth Green Management Company Limited

West Wick Management Company Limited*[25]

Westhaven Apartments (Barry) Residents Management Company Limited

Westhoughton (Lee Hall) Residents Management Company Limited[8]

Weston Park Limited

Westvale Park (Horley) Management Company Limited[2]

Westwood Park (Churwell) Management Company Limited

White House Farm (Emersons Green) Management Company Limited[9]

White Rose Park (Norwich) Residents Management Company Ltd

Whitewood Park (Bristol) Management Company Limited

Whittington Walk (Worcester) Management Company Limited[1]

Whitworth Dale Management Company Limited

Willow Court (Abergavenny) RMC Limited

Willow Park (Aylsham) Management Company Limited

34 Details of all subsidiary undertakings continued

Resident Management Companies continued

Company name continued

Windmill View (Stanground) Residents Management Company Limited

Windrush Place Witney Management Company Limited

Wombwell (Barnsley) Management Company Limited

Woodhorn Meadows (Ashington) Residents Management Company Limited

Woodland Gardens (Pyle) Management Company Limited

Woodland Rise (Great Cornard) Residents Management Company Limited

Woodlark Place (Newbury) Residents Management Company Limited

Worcester Gate (Worcester) Management Company Limited[1]

Wykham Park (Banbury) Management Company Ltd[8]

Yew Tree Gardens (Tuffley) Management Company Limited

1. Queensway House, 11 Queensway, New Milton, Hampshire, BH25 5NR
2. Homer House, 8 Homer Road, Solihull, West Midlands, B91 3QQ
3. Kent Gateway Block Management Fort Pitt House, New Road, Rochester, ME1 1DX
4. Cheviot House, Beaminster Way East, Newcastle upon Tyne, Tyne and Wear, NE3 2ER
5. Fountain House, Southwell Road West, Mansfield, Nottinghamshire, NG18 4LE
6. Gateway House, 10 Coopers Way, Southend-on-Sea, Essex, SS2 5TE
7. Persimmon House, Birmingham Road, Studley, Warwickshire, B80 7BG
8. Unit 7 Portal Business Park, Eaton Lane, Tarporley, Cheshire, CW6 9DL
9. Fisher House, 84 Fisherton Street, Salisbury, SP2 7QY
10. 20 Station Road, Hinckley, Hinckley, Leicestershire, LE10 1AW
11. RMG House, Essex Road, Hoddesdon, Hertfordshire, EN11 0DR
12. A5 Optimum Business Park, Optimum Road, Swadlincote, DE11 0WT
13. Stonemead House, 95 London Road, Croydon, Surrey, CR0 2RF
14. Persimmon Homes, 3 Waterside Way, Northampton, NN4 7XD
15. 46 Whitchurch Road, Cardiff, CF14 3LX
16. The Dock, Station Road, Kings Langley, Hertfordshire, WD4 8LZ
17. Burlington House Botleigh Grange Business Park, Hedge End, Southampton, SO30 2AF
18. Unit 8, The Forum, Minerva Business Park, Peterborough, PE2 6FT
19. Persimmon House Radcliffe Crescent, Thornaby, Stockton on Tees, TS17 6BS
20. 2 Hills Road, Cambridge, CB2 1JP
21. C/O Greenbelt Group, 1175 Century Way, Thorpe Park, Leeds, West Yorkshire, LS15 8ZB
22. Suite 7 Aspect House, Pattenden Lane, Marden, Kent, TN12 9QJ
23. Vantage Point, 23 Mark Road, Hemel Hempstead, Hertfordshire, HP2 7DN
24. Unit 1,2 & 3 Beech Court Wokingham Road, Hurst, Reading, RG10 0RU
25. 250 Aztec West, Almondsbury, Bristol, BS32 4TR
26. Acorn Estate Management, 9 St Marks Road, Bromley, Kent, BR2 9HG
27. Scholars House, 60 College Road, Maidstone, Kent, ME15 6SJ
28. Woodwater House, Pynes Hill, Exeter, Devon, EX2 5WR
29. 1st Floor Lancaster House, 67 Newhall Street, Birmingham, B3 1NQ
30. Davidson House Unit 17C Meridian East, Meridian Business Park, Leicester, Leicestershire, LE19 1WZ

* Private limited company.

Other information

Shareholder information

Band analysis as at 31 December 2025

Size of shareholding	Number of shareholders	% of shareholders	Number of shares	% of shares
1–5,000	5,677	88.48	3,218,991	1.60
5,001–50,000	396	6.17	7,073,620	4.11
50,001–250,000	179	2.79	20,983,820	10.89
250,001–999,999,999	164	2.56	289,404,695	83.40
Total	**6,416**	**100.0**	**320,681,126**	**100.00**

Share price – year ended 31 December 2025

Price at 31 December 2025	1,358.5p
Lowest for year	1,037.5p
Highest for year	1,405.0p

The above share prices are the closing share prices as derived from the London Stock Exchange Daily Official List.

Financial calendar 2026

Annual General Meeting	30 April 2026
Trading Update	30 April 2026
Ex-Dividend Date of 40p final dividend	18 June 2026
Record Date of 40p final dividend	19 June 2026
Payment of final dividend of 40p	10 July 2026
Announcement of Half-Year Results	6 August 2026
Trading Update	12 November 2026

Five-Year Record

	2025	2024	2023	2022	2021
Unit sales	**11,905**	10,664	9,922	14,868	14,551
Housing revenue	**£3,312.0m**	£2,863.6m	£2,537.6m	£3,696.4m	£3,449.7m
Average selling price	**£278,203**	£268,499	£255,752	£248,616	£237,078
Profit from operations	**£472.1m**	£405.2m	£354.5m	£1,006.5m	£966.7m
Profit before tax	**£445.6m**	£395.1m	£359.4m	£1,012.3m	£973.0m
Basic earnings per share	**100.7p**	92.1p	82.4p	247.3p	248.7p
Diluted earnings per share	**99.6p**	91.1p	81.9p	245.3p	247.6p
Cash return/dividend per share	**60.0p**	60.0p	80.0p	235.0p	235.0p
Net assets per share	**1,127.0p**	1,096.1p	1,070.2p	1,077.0p	1,135.7p
Total shareholders' equity	**£3,614.1m**	£3,506.6m	£3,418.5m	£3,439.3m	£3,625.2m
Return on capital employed	**11.7%**	11.1%	10.5%	30.4%	35.8%

All figures stated before exceptional items, goodwill amortisation/impairment, legacy buildings provision and includes land creditors where applicable.

Directors

Roger Devlin
Chairman

Dean Finch
Group Chief Executive

Andrew Duxbury
Chief Financial Officer

Annemarie Durbin
Senior Independent Director

Andrew Wyllie CBE
Non-Executive Director

Alexandra Depledge MBE
Non-Executive Director

Colette O'Shea
Non-Executive Director

Paula Bell
Non-Executive Director

Anand Aithal
Non-Executive Director

Company information

Company Secretary

Tracy Davison

Registered office

Persimmon House
Fulford, York YO19 4FE
Telephone: 01904 642199

Company number

1818486
Incorporated in England

Auditor

Ernst & Young LLP

Bankers

The Royal Bank of Scotland plc
Lloyds Banking Group plc
Barclays Bank PLC
HSBC plc
Handelsbanken plc
Santander BANCO S.A.

Financial PR Consultants

Teneo
The Carter Building, 11 Pilgrim Street
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Telephone: 020 7353 4200
Email: persimmon@teneo.com

Registrars

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Persimmon

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