

A man and a woman, both wearing orange high-visibility safety suits, black helmets, and safety glasses, are walking on a construction site. The man is on the left, and the woman is on the right. They are both looking towards the right. The background shows green trees and a clear blue sky. The text "Delivering Sustainable Growth" is overlaid in the center in a large, white, sans-serif font. A small red horizontal line is positioned below the word "Growth".

Delivering Sustainable Growth

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Performance

Revenue

£1,875.2m

(2024 restated: £1,763.7m)

Adjusted operating profit^{1,2}

£40.6m

(2024: £29.6m)

Divisional adjusted operating margin^{1,2}

3.0%

(2024: 2.5%)

Adjusted profit before tax^{1,2}

£45.0m

(2024: £35.0m)

Profit before tax

£44.1m

(2024 restated: £19.2m)

Adjusted basic earnings per share^{1,2}

34.4p

(2024: 29.6p)

Earnings per share

33.7p

(2024 restated: 27.3p)

Full year dividend per share

19.0p

(2024: 15.5p)

Average month-end cash³

£179m

(2024: £155m)

Order book²

£4.1bn

(2024: £3.8bn)

Net cash

£237.6m

(2024: £227.0m)

- ➔ 6.3% increase in revenue to £1,875m, driven by AMP7 run-off in Environment and robust Highways performance.
- ➔ 28.6% increase in adjusted profit before tax to £45.0m, driven by volume, our quality delivery and considered operational management.
- ➔ 3.0% divisional adjusted operating margin, up from 2.5% last year, delivering our previously communicated target one year ahead.
- ➔ Total dividend for the financial year of 19.0p per share up 22.6%.
- ➔ Well-capitalised debt-free balance sheet, £237.6m cash, average month-end cash for the year of £178.7m, PPP asset portfolio of £38.6m and no pension liabilities.
- ➔ Completion of £10m share buyback programme, and new £10m share buyback programme announced, reflecting strong cash performance, a record order book and confidence in the future.
- ➔ Non-cash restatement of prior year exceptional items relating to nmcn onerous contract acquired.

1 See note 32 for a reconciliation of statutory numbers to Adjusted Performance Measures.

2 Adjusted items or non statutory measures.

3 Average month-end cash is a non-statutory measure the Group refers to, being the average month-end cash balance over the financial year. The cash balance used each month is the statutory cash and cash equivalents balance.

Cover image: our bolt-on acquisitions such as the purchase of AVRS in 2023 are giving us further advantage across the water industry's AMP8 cycle, adding to our in-house capability across higher margin capital maintenance and asset maintenance work, where there is strong demand from our water clients.

We are proud to be one of the UK's largest construction companies, and are passionate about our role in delivering vital social and economic infrastructure across the country, making a real difference to people's lives.

Delivering the UK's construction needs

"We have delivered our fifth consecutive year of revenue and margin growth and continue to demonstrate consistency with our results. Demand within our markets remains strong, as the UK targets its objectives of a productive, connected economy, better infrastructure, improved living standards, and resilience, reinforced by June 2025's Spending Review. With excellent teams, collaborative supplier and client relationships, and an embedded approach to risk, we are well positioned to take advantage of the significant opportunities in both our existing and newer higher-margin adjacent markets."

Bill Hocking
Chief Executive



A compelling investment

Rigorous risk management

The vast majority of the work we undertake is procured via multi-stage negotiation and early involvement, resulting in an equitable and agreed allocation of risk between us and the client. We are highly selective, and only pursue opportunities where we have the skills, resources and contract terms and conditions to deliver successfully and profitably. Our strategy of selectivity is underpinned by our sizeable order book and balance sheet strength, as described below.

- 99% of our order book is secured via negotiation.
- 80% of bid criteria is typically based on quality, safety, management skills, and other expertise, with 20% based on price.

A people-orientated, progressive culture that delivers for stakeholders

We attract, retain and develop people who share our purpose, values, objectives and approach to business. We empower them with the tools and resources required to carry out their work, provide an environment where they are motivated to give their best, and reward them competitively so that they deliver for our stakeholders.

- Consistently high, and above average, employee advocacy score of 87%.
- Voted the number one Construction and Civil Engineering company for both Apprentices and Graduates by The Job Crowd.

Robust market opportunity

We have established positions in sectors with long-term drivers of demand, including ageing social and economic infrastructure, which needs to be replaced, repaired or upgraded; the impact of climate change, and population changes. We are also growing in higher margin adjacent markets such as asset maintenance and optimisation in water, where the work complements our capabilities, there is strong demand, and the risk profile is within our appetite.

Investment in these key sectors was reinforced in June 2025's Spending Review.

Our geographical footprint, and excellent client and supplier relationships also give us an advantage by enabling us to successfully deliver work nationally with a local approach.

- 93% of our clients are in the public and regulated sectors.
- 90% of our work is in long-term frameworks.
- 93% repeat business based on successful delivery.

Strong financial position

Our strong balance sheet is important to our clients, supply chain and employees. It means we will be around to deliver for clients in the long term, can pay our supply chain on time, and offer job security for our people. It also enables us to invest in our business and people, and provides the agility to react quickly to strategic opportunities when they arise. A strong balance sheet also means we don't pursue work that doesn't have the right terms for us, reinforcing our approach to risk.

- Four acquisitions since 2021.
- £107.7m inclusive of the newly announced £10m share buyback returned to shareholders since FY21.
- 352% total shareholder returns for the period from 1 July 2020 to 30 June 2025.

i See our Sustainable Growth Strategy to 2030 on page 16.

Business overview

A leading UK construction group

What we believe

Our purpose is to improve people's lives by delivering the buildings and infrastructure that communities need, while providing opportunities for our people to learn, grow and progress; working with our supply chain to promote the very best working practices; and caring for the environment in which we work.

Modern Methods of Construction enable new heights at The Rise

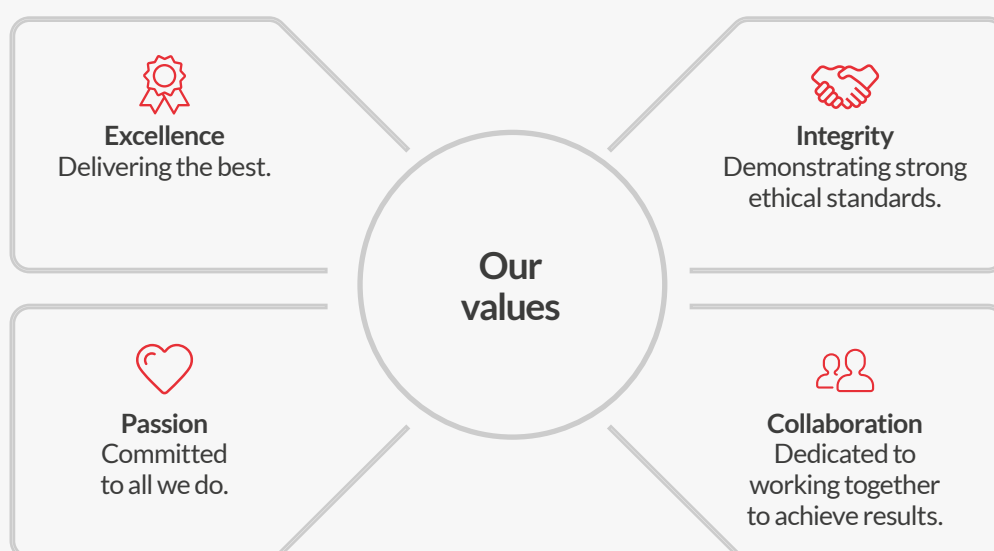
Pictured to the right, The Rise is a landmark project, which will become one of Cardiff's tallest buildings, delivering 272 Private Rented Sector (PRS) apartments, retail units, and amenity spaces. The project is privately funded by Lloyds Living, with Galliford Try Investments acting as the client, and our Building division undertaking construction.

Situated on a tight site bordered by a railway station, this feat of construction would not have been possible without our use of Modern Methods of Construction. The project adopted off-site fabrication, modular integration, and a streamlined assembly process to overcome access challenges, enhance build efficiency and ensure a consistently high standard of quality across the development. This included the use of pre-cast concrete panels that integrate façade, floor planks, internal walls and stairwells; pre-assembled bathroom and shower pods and MEPV (Mechanical, Electrical, Plumbing and Ventilation) modules.



Our vision and values

Our vision is to be a people-orientated, progressive business, driven by our values to deliver for our stakeholders and the communities we work in.



Our business model

A progressive UK construction business

What we do

We are a major (tier one) contractor, leading the overall management of a project, liaising with designers, and selecting and managing subcontractors to carry out works under our direction.

We operate predominantly as Galliford Try in England and Wales, and as Morrison Construction in Scotland.

Our network of regional offices is a key advantage, offering clients the benefit of national strength with local relationships.

Building

Operates across the UK, designing, constructing and refurbishing assets across markets where we have significant expertise and opportunities, particularly the education, defence, custodial and health sectors. In addition, we work with carefully chosen blue-chip clients in the commercial sector and have selectively re-entered the affordable homes market. Our Facilities Management (FM) business works with Building, predominantly in the education and health sectors. Its capabilities include delivering high-quality, full life-cycle solutions and green retrofitting to enhance the sustainability performance of client assets.

Infrastructure

Carries out vital civil engineering projects across the UK. It comprises:

Environment where we work with all 13 of the UK's major water and sewage companies and are one of the largest contractors in the market, carrying out capital design and delivery, alongside maintenance works and asset optimisation.

Highways where we contribute substantially to the national road network and deliver large-scale schemes for local authorities, as well as active travel, maintenance work and urban, multi-modal transport schemes.

Investments

Leads bid consortia and arranges finance for major building projects via public private partnerships, devises and secures solutions for our clients on an individual basis, and specialises in managing construction through to operations. We are now using these skillsets to progress co-development opportunities, with a focus on the Private Rented Sector.

Specialist Services

In addition to our three main businesses, we are growing our Specialist Services businesses. These include our fire-protection and façade remediation specialists Oak Specialist Services; our active security business Asset Intelligence; and our Digital Infrastructure business, which offers connectivity and 5G across the private, defence and infrastructure markets, and installs large-scale electric vehicle charging infrastructure.



→ Scan the QR code to watch our 'What we do' video.



Who we work with

Around 90% of our work is with clients in the public and regulated sectors, where we have a strong understanding of client requirements, the market and risk profile.

Clients include major public sector bodies such as the Department for Education, the Ministry of Defence, the Ministry of Justice, the Department for Health and Social Care, and Homes England. In our Environment business, we work with all 13 of the UK's largest water and sewerage companies.

Meanwhile, our Highways business partners with National Highways as well as local authorities, and Investments works with major investment funds and Private Rented Sector businesses.



How we do it

Identifying opportunities

We seek opportunities within our chosen markets and only pursue those where we have the skills, expertise and resources to successfully complete the work safely, profitably and to a high quality. We work with clients who value a collaborative approach and long-term relationships, often by working under frameworks (page 41). Public and regulated sector clients use these frameworks to procure

goods and services from a list of pre-approved contractors, with agreed terms and conditions. Once awarded, frameworks typically run for four years and provide opportunities for deeper, collaborative working, early planning and mitigation of risk. They also support the achievement of wider strategic and social goals, create better understanding between parties, and generate repeat business.

Alignment to risk appetite and contract selection

Our businesses follow a well-established contract selection process to ensure all aspects of a contract's terms and conditions satisfy our strict criteria. Initial selection considers factors such as the scope of work, our geographical presence, type of client, size of the project, technical complexities, our experience of similar projects, and supply chain and resource availability in that area.

Our teams consider contracts meeting these criteria and subject them to a rigorous risk assessment. All contracts with a value exceeding £25m or specific risk parameters require Executive Board review before proceeding. Few projects reach Executive level that are not subsequently approved, demonstrating cross-company alignment to our strict risk appetite.

Assembling a team and procuring products and services

Delivering a construction project requires different disciplines and specialisms. Our role includes assembling the right team, including subcontractors and consultants, who have the skills, knowledge, experience and organisational capability to carry out the works.

Because most of the construction phase is delivered with our supply chain, we align key supply chain members with our culture and develop collaborative relationships using our Advantage through Alignment programme. This offers benefits such as training, enhanced

visibility of pipeline, and access to resources. We choose our partners based on their ability to deliver the work and improve social, environmental and economic outcomes for us and our clients.

Our reputation as a prompt payer and collaborative client who seeks mutually beneficial relationships works to our advantage when selecting supply chain partners, particularly in times of high demand or skills shortages.

Planning and managing construction

We plan, manage, monitor and oversee the project's construction phase, subcontracting packages of work to specialist trade supply chain partners.

Pre-construction and planning activities are an essential part of managing a construction project and we look to start as early as possible to influence design decisions. During these phases, we identify and mitigate risks such as those relating to health and safety, resource, build conditions such as presence of asbestos,

underground or overhead services, site restrictions, ground conditions and logistical challenges such as access or build restrictions.

During construction, we carry out the agreed work, managing and monitoring safety, programme, budget, quality and sustainability requirements. We co-ordinate with the client, designers and all contractors involved, and supervise and track the overall works, resolving any challenges that arise and making any required adjustments.

Handover

Before handover, we check the project against contractual requirements and ensure all final installations and outstanding deliverables have been completed.

The client then approves the project and we typically issue a final completion certificate, confirming we have handed over the project in a satisfactory manner. In some instances, we may also take on the maintenance of the asset through our FM business.

How we make money

We operate in core markets which we know and understand, and are targeting growth in both these markets and adjacent markets, that are within our risk appetite and typically earn a higher margin (page 18). In addition, we earn revenue and profit from our Investments and FM businesses, which offer lower risk annuity type income and margin accretion.

We are awarded work based on outcomes such as our ability to deliver safely and to a high standard, while meeting criteria including social value and carbon commitments. This type of procurement provides a far more mature, sustainable contract environment with higher levels of collaboration between all parties and a more equitable allocation of risk.

99%

of our work is secured via multi-stage negotiation and early involvement.

Our clients typically score tenders on a quality basis, as seen below.

Example of scoring criteria

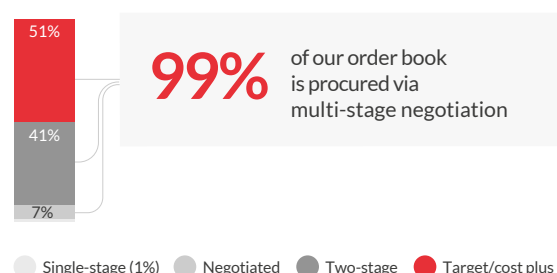


Benefits of multi-stage negotiation and early involvement

- Improved buildability, programming, visibility and management of construction risk, through earlier collaboration between designers, contractor and supply chain.
- Improved innovation, by enabling us to share expertise and ideas early in the design phase.
- Reduced costs, by mitigating risks early, and making fewer changes to designs.
- Faster delivery, as a result of better design, and more efficient planning and mobilisation of resources.
- More reliable budgets and cost estimates.
- Lower operational and financial risk profile.

Pricing and procurement routes

Order book procurement



Almost 100% of our order book is procured via some form of negotiation. This comprises:

Target cost/cost reimbursable contract: a target cost plus our overhead and profit are agreed, based on our initial estimate, and builds in risk and inflation contingencies. Cost savings/overspends against the target are shared between us and the client.

Two-stage tendering: an initial information stage facilitates early collaboration between us and the client, helping to ensure a safe and affordable design, cost certainty and project timescales. We submit details under a pre-construction agreement which typically includes early site investigation works, project preliminaries, method statements, design, construction costs, risk provisions, overheads and profit. Once we have agreed a price based on the criteria developed in the first stage, we move on to the construction/delivery phase.

Negotiated tendering: the client approaches us and we then negotiate the terms of the contract and the price. The benefit for the client is the speed with which they can obtain a price for the work.

Single-stage tendering: the client will provide all of the relevant information about their project requirements at the point of issue and several contractors will compete for the contract based on price. Drawbacks can include the loss of early contractor input into buildability and risk of incomplete design information while benefits are a fast bidding process.

Technical and operational improvements

Our focus on quality and digital drives margin by saving the time and cost of redoing work and reducing waste, taking a 'Right first-time approach'. Digital tools aid operational efficiency, enhance safety during construction and in use, drive quality and carbon, enable experts in niche areas to deploy their skills nationally, provide improved governance and control, and ultimately improve financial performance.

Modern Methods of Construction such as off-site construction techniques and factory assembly as alternatives to traditional building similarly improve our efficiency and margins by speeding up delivery, reducing labour costs, eliminating unnecessary waste and improving quality.

Chair's statement

A record performance that proves our strategy



I am pleased with the Group's continued progress, as we report record performance, a fifth year of growth, and strong momentum towards our 2030 targets, delivering value for our shareholders, clients and communities.

Alison Wood
Chair

The global economy faced significant challenges in the financial year, with markets dealing with the shocks of US tariffs, the ongoing war in Ukraine, the impact of climate change, and, in the UK, a change of Government.

Our robust position has allowed us to withstand these external stresses. Most of our clients are in the public and regulated sectors, and are committed to long-term plans designed to improve the UK's infrastructure and make the country more resilient, as emphasised in June 2025's Spending Review. Labour's priority is for national renewal, with construction established as a tool to kickstart economic growth, rebuild the country, unlock investment, and improve living standards. Our Sustainable Growth Strategy therefore places us in the right markets to deliver on the UK's ambition, as demonstrated by a record performance for the Group and another year of consistent, profitable growth.

Revenue increased by 6.3% to £1,875.2m (2024 restated: £1,763.7m) and adjusted operating profit increased by 37.2% to £40.6m (2024: £29.6m). The combined divisional adjusted operating margin was up 42bps at 3.0% (2024: 2.5%), delivering our previously communicated margin goal one year ahead of target, with improvement in both Building and Infrastructure.

Cash continues to be a differentiator for Galliford Try and, encouraged by a consistently strong average month-end cash balance, we completed our second share buyback programme in May 2025 for a maximum of £10m of ordinary shares where we repurchased and cancelled 2,690,861 shares, at an average price of approximately £3.72 each and a total cost of £10m.

On the back of an excellent cash performance, a record order book and confidence in the future, we announced a further share buyback of up to £10m on 17 September 2025. This represents a vote of confidence in our company, and an additional way to return capital to shareholders in line with our capital allocation policy.

We also used our market position and track record to establish a beneficial Revolving Credit Facility. While we can achieve all our targets via organic growth, this provides greater agility and resilience alongside our already strong balance sheet, and is a further mechanism to take advantage of potential future growth opportunities.

A progressive culture, founded on solid fundamentals

As Chair, it is my responsibility to oversee how we monitor and assess our culture; how we manage our stakeholders' interests, and how we approach Environment, Social and Governance (ESG) matters. This year, through my meetings with the Board, our site visits, interactions with employees and supply chain, as well as feedback from our clients, I can confirm that the Group has an aligned culture where the first priority is safety. There is an embedded understanding of what delivering sustainable profit entails, and Chief Executive Bill Hocking has instilled the importance of a 'sustainable engine', which starts by pursuing projects that meet our stringent risk appetite, and working to agreed practices to deliver profit. Meanwhile, a strong HR strategy, Grow Together, continues to be successful, with 87% of our people recommending Galliford Try as a great place to work, and 68% confirming this vision has been successfully communicated by the leaders at Galliford Try. This third year of excellent survey results is testament to the work of leadership across the business. Employee advocacy for the company is apparent too in our Board site visits, our assessment of Board packs and the presentations we receive from individuals such as the Health, Safety & Environment Director, the Head of Work Winning, the Supply Chain Director, interactions with senior management and feedback from the plc Board-level Employee Forum.



Outside of the Group, we continue to make a positive impact in the communities where we work, generating more than £1,076m of social and local economic value on projects that were completed in the year through activities such as volunteering, donating time, materials and money, offering work experience opportunities, upskilling SMEs, and purchasing goods and services from local suppliers. Procurement Policy Note (PPN) 002 Social Value Model, introduced by the Government in February 2025 embeds social value at the heart of central Government procurement, mandating a minimum 10% weighting. It is therefore a fundamental way for the Group to secure future work, alongside other strategic priorities such as contributing to a low-carbon economy, both through our own carbon footprint and by supporting our clients to deliver low and zero carbon buildings and infrastructure.

Key areas of Board focus

Managing risks is one of the plc Board's crucial roles. Cyber security has become a major topic across all companies, with recent high-profile cyber attacks highlighting the importance of vigilance and robust practice. The Group has increased the focus on raising our people's awareness of cyber threats and invested in further training. Encouragingly, cyber security was one of the highest scoring areas in the Employee Survey, with 94% of people stating they have received sufficient training to recognise threats to our systems. We continue to monitor cyber resilience, receiving updates from the Group's Chief Information Officer.

We remain committed to upholding the highest standards of corporate governance and are monitoring and reviewing the implementation of changes required under the UK Corporate Governance Code, in particular to Provision 29, the risk management and internal control framework. While we meet many of its principles already, we have set a path to ensuring we have full compliance with the new requirements by 1 January 2026.

plc Board changes

During the year, we welcomed Kris Hampson as Chief Financial Officer. Kris took over from the outgoing Andrew Duxbury and brings a wealth of financial expertise, including from a FTSE 100 background. He has proven to be an excellent addition to the plc and Executive Boards, bringing fresh ideas and constructive challenge while quickly embedding himself in the team, both among his peers and across all levels at the Group.

Kevin Boyd, who joined as a Non-executive Director on 1 March 2024, took up Marissa Cassoni's roles as Senior Independent Non-executive Director and Chair of the Audit Committee, following her departure from the Board on 28 November 2024 after six years (see Governance report).

An external evaluation of the plc Board during the year confirmed that we continue to benefit from an excellent breadth of experience and capabilities among Board members. As we move forward, we will continue to ensure our succession plans provide continuity for our business, preserving institutional knowledge and expertise and building a strong talent pipeline for future leadership roles in line with the Board's objectives to promote the long-term sustainable success of the company.

Increasing shareholder value

Generating attractive returns and rewarding shareholders is a cornerstone of our strategy, and since 2021, we have returned circa £107.7m inclusive of the newly announced share buyback of £10m to shareholders, as shown below. This year, the full dividend for the year increased by 22.6% to 19.0p (2024: 15.5p).

Conclusion

The Group is in excellent shape as we move into the second full year of our strategy to 2030, supported by strong markets, an excellent team and good client and supply chain relationships. I thank leadership, our people, partners and subcontractors for their dedication and contributions, as we deliver on our objectives.



Alison Wood
Chair

Strategy in action

Generating attractive returns

We remain committed to delivering long-term value to all our stakeholders, including our shareholders. In line with this, we have returned circa £107.7m to shareholders since FY21 through a combination of dividends, including a special dividend, and two completed share buybacks and one newly announced £10m share buyback. Our total shareholder return from 1 July 2020 to 30 June 2025 was 352%. This reflects our strong financial performance, the success of our disciplined capital allocation policy, and confidence in the company's outlook.

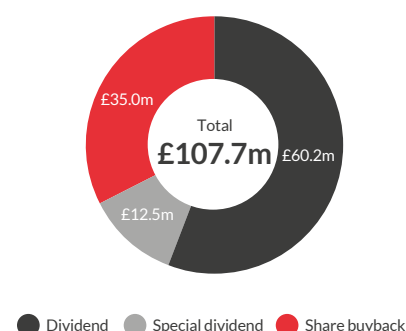
£107.7m

inclusive of the newly announced £10m share buyback returned to shareholders since FY21.

352%

total shareholder returns from 1 July 2020 to 30 June 2025.

Returns to shareholders FY21–FY25



● Dividend ● Special dividend ● Share buyback

Market review

Drivers of growth

The UK construction industry entered FY25/26 with renewed momentum, driven by Government priorities.

Major commitments from the Spending Review (SR) in June 2025 provide multi-year support to the sectors where we operate, with the aim to promote long-term economic growth through investment in infrastructure and housing, while improving the UK's resilience, driving productivity, providing jobs and closing skills gaps.

Further support for construction includes the introduction of the Planning and Infrastructure Bill in March 2025. The Bill aims to speed up the UK's planning approvals processes, accelerate infrastructure development and provide more predictability by addressing long-standing issues such as delays and inefficiencies in major infrastructure projects.

A key part of the reform is the creation of the National Infrastructure and Service Transformation Authority (NISTA). NISTA's role is to provide more co-ordinated oversight and strategic planning for infrastructure projects, to drive better project execution, reduce bottlenecks, and improve overall efficiency in delivering national infrastructure.

Additionally, the construction sector has been explicitly identified as a priority industry as part of the Modern Industrial Strategy, a 10-year plan launched in June 2025, to increase business investment and grow the industries of the future in the UK.

It includes a £600m fund as a Strategic Sites Accelerator focused on making strategically important land development-ready by fast-tracking infrastructure and planning hurdles helping developers — and indirectly construction firms — to access and deliver on high-value projects across the UK.

Across the sectors listed across this section, we have excellent framework positions that will play to our advantage.



Market opportunity

Ageing social and economic infrastructure

Water

Long-term underinvestment in water infrastructure has resulted in an ageing asset base that requires more frequent maintenance or needs replacing.

- Clients must either build new assets or focus on asset optimisation to extend the operational lifespan of existing facilities.
- Poor asset condition is being exacerbated by heavier and more intense rainfall, which overwhelms ageing infrastructure, causing sewage discharge and flooding.
- Statutory standards and regulatory requirements set out by the Environment Agency, Natural Resources Wales and the Drinking Water Inspectorate are driving investment to reduce spills from storm overflows, improve wastewater treatment standards and raise the quality of drinking water. Implementation of the Environment Act 2024 will provide a database of water quality information on a scale that England has never had before. The Act requires utilities to continuously monitor water quality upstream and downstream of the majority of storm overflow and sewage treatment works, which discharge into a watercourse.

Our response

- We are now one of the biggest contractors in the sector, with a national water business working with all 13 of the UK's major water and sewage companies. We are well positioned to serve their needs across spending cycles, with our ability to respond to local water plans.
- Targeted acquisitions have extended our specialist capabilities to include capital maintenance, asset optimisation and Mechanical, Electrical, Instrumentation, Control, and Automation, giving us the ability to work across the life cycle of client assets, to improve asset efficiency, resilience and optimisation.
- Our investment in digitalisation, including digital twins and AI, is enabling us to: optimise processes for clients through improved safety during construction and in use; enhance quality through greater accuracy, stronger governance and control; deliver greater efficiency; leverage skills nationally through remote working; and drive net zero carbon commitments.

- Our carbon capabilities are, in turn, enabling our clients to meet both their own net zero carbon ambitions and their objectives to deliver value for customers in the long run.

£104bn

of investment announced by Ofwat through the AMP8 period until 2030.

Sources: <https://nic.org.uk/studies-reports/national-infrastructure-assessment/second-nia/#tab-challenges>; <https://www.ofwat.gov.uk/ofwat-approves-104bn-upgrade-to-accelerate-delivery-of-cleaner-rivers-and-seas-and-secure-long-term-drinking-water-supplies-for-customers/>

Transport

The Strategic Road Network provides critical routes and connections across the country to support UK growth and safe and efficient journeys for people and business. It connects towns, cities, ports and airports, with 81% of domestic freight in the UK carried by roads.

The Government's 10-Year Infrastructure Strategy sets out a £24bn pipeline of capital funding between 2026-2030 to maintain and improve motorways and local roads, including £1bn to enhance the road network and to repair major structures.

The strategy also includes £15.6bn of investment in city region sustainable public transport systems, while, in 2026, the Government is due to publish its next Road Investment Strategy (RIS 3). In the intervening period, £4.8bn has been set aside in the 'Interim Settlement'.

Our response

- We operate nationally, with local teams organised into three business streams of Local Authorities (LAs), National Highways and Major Projects, which reflect the way investment in the UK's road infrastructure is made.
- We have established, long-term relationships with strategic clients across this market, working with LAs and being a long-term partner of National Highways.

Source: <https://www.gov.uk/government/publications/strategic-road-network-interim-settlement-2025-to-2026#:~:text=The%20interim%20settlement%20sets%20out,priorities%20for%202025%20to%202026>



Education

In its Spending Review in June 2025, the Government reaffirmed its commitment to rebuild over 500 schools through the School Rebuilding Programme (SRP), providing around £2.4bn in each of the next four years.

In addition, the Government has further committed to providing £20bn in the period up to 2035 to give long-term certainty for the SRP, as part of its 10-Year UK Infrastructure Strategy, adding at least 250 schools to the programme.

In England, the 64,000 state buildings making up the school estate all vary in age and design. The National Audit Office (NAO) has reported that following years of underinvestment, the condition of this estate is declining, with the estimated backlog currently standing at £13.8bn.

FM plays a vital role in the Government, education sectors, ensuring the efficient and effective operation of assets. The Department for Education has launched its new Construction Framework worth up to £15.4bn for building and refurbishing education facilities across England.

In Scotland, the condition of the school estate is generally improving. However, the Learning Estate Investment Programme has set aside £2bn to build new facilities.

In 2021, the Right support, Right place, Right time SEND (Special Education Needs and Disabilities) review, outlined that 15.8% of children in England alone have SEND needs, but there is a shortfall of suitable places.

Our response

- We are a multiple award-winning and market-leading provider of education facilities and play a significant role in renewing and expanding the schools estate across the country, working as a leading contractor for the Department for Education in England and the Hub procurement vehicles in Scotland.
- We are earning a reputation as a leader in the delivery of SEND facilities and have been involved with 17 projects delivering Special Schools, Additional Support Needs and Inclusive Learning Environments to the value of £265m in the last three years.
- Our FM business provides hard and soft facilities management services across the UK, operating in both public and private settings, with an emphasis on the education and health sectors.

Source: <https://www.nao.org.uk/reports/condition-of-school-buildings/?nab=1>

Market opportunity

Ageing social and economic infrastructure continued

Defence

In February 2025, the Government announced that defence spending will rise to 2.6% of GDP from 2027, with an ambition to reach 3% in the next Parliament when economic and fiscal conditions allow.

The Strategic Defence Review and the Spending Review confirmed the Government's plans for defence spending, and set out further investment in the UK's intelligence agencies, whose budget will rise by £600m in real terms over the period to 2028-29, enabling the UK to remain at the cutting edge of technology and keep pace with rising threats from hostile states.

The Defence Estate Optimisation (DEO) Portfolio is the single biggest estates change programme in defence, investing £5.1bn in modern, greener and more sustainable infrastructure, delivering a commitment to invest in key defence sites and meet future force structure requirements.

Major projects include contemporary office space for over 14,900 people, 101 specialist Military facilities, education and training facilities for over 49,000 people, and new and refurbished accommodation and housing for over 40,000 personnel and their families.

Our response

- We have a proud history of partnering with defence clients to deliver the assets that protect the country, and enable the UK's Armed Forces personnel to live, work and train. In the last 10 years alone, we have delivered £500m+ of new facilities and upgrades for the defence estate.
- We understand how to operate in high security, complex environments and have the systems, processes and personnel to protect information and critical assets.
- We continue to deliver projects in partnership with the Ministry of Defence and other defence estate suppliers, such as Thales UK and BAE Systems.

Source: <https://www.gov.uk/guidance/defence-estate-optimisation-deo-portfolio>

Custodial and Judicial

The NAO last reported on the condition of the prison estate and the capacity of the system in 2020 and concluded that the prison service was failing to meet its aims of providing a safe, secure and decent prison estate.

The prison population has grown substantially over the past 30 years and the adult male estate has been running at 99% capacity since February 2023.

The original programme to build 20,000 places was launched in 2021, with only 6,000 places were delivered.

The Government has revised the strategy to deliver the remaining 14,000 places by 2031, by committing to:

- Four new prisons with 6,500 places.
- 6,400 places through new houseblocks on existing prison sites.
- 1,000 rapid deployment cells.
- 1,000 existing cells refurbished.

Capital and maintenance work required to bring the prison estate to a fair condition requires £2bn of investment.

Our response

Galliford Try has a long history of working in the custodial and judicial sectors across prisons and courts throughout the UK. We understand the particular sensitivity of working in secure environments, and have extensive experience of improving existing facilities and deliver quality and security throughout the custodial estate.

Source: <https://commonslibrary.parliament.uk/research-briefings/sn05646/>; <https://www.gov.uk/government/news/prison-expanded-to-create-uks-largest-jail-and-keep-public-safe>



Health

There is widespread acknowledgement that the state of the NHS is in need of investment.

In January 2025, Labour confirmed funding and a timetable to put the New Hospital Programme on track to deliver all of its hospital projects.

The new plan will be backed with £15bn of new investment over consecutive five-year waves, averaging £3bn a year.

There is a commitment to transition from hospital to community care, providing access to primary care services to promote self-care and diagnosis at early stages. Alongside this, there is an ambition to change the service from a sickness focus to that of prevention, expanding mental health support and incentivising good health, alongside achieving net zero goals.

In addition, the decade long Infrastructure Strategy aims to deliver stability, investment and national renewal. Within it, over £6bn has been set aside per year to create safer hospital environments across England with reduced waiting times, improved patient outcomes, and better working conditions for NHS staff.

Our response

- ➔ We have tremendous experience within the healthcare sector, understanding the unique drivers and technicalities that are part and parcel of working within a healthcare environment.
- ➔ Having been active in the sector for the past 13 years, Galliford Try has delivered over £1bn and more than 1,300 bed spaces across England and Scotland for healthcare providers in Acute, Mental Health and Community care environments.

Source: <https://www.gov.uk/government/news/government-to-deliver-all-schemes-in-new-hospital-programme>.



Affordable homes

There is significant, long-term demand for affordable homes in the UK. Research from Savills estimated that 187,000 additional affordable homes are needed in England alone each year.

The Government Spending Review in June 2025, confirmed £39bn for its affordable homes programmes over a 10-year period from 2026-27 to 2035-36.

The Government remains committed to the target of 1.5 million homes in this Parliament and has announced support for 100 new towns across England.

Investment in affordable homes remains a key priority for Registered Providers (RPs), including Housing Associations and councils. However, pressure from the regulator to ensure stock is up to standard, and that fire safety and cladding issues have been resolved, remains a focus. The sector is also using land led partnerships to increase supply. Clients are reviewing how they can get access to funding with more working with institutional funders.

Our response

- ➔ We have good local authority and housing association relationships.
- ➔ Since 2020, we have delivered more than 3,000 homes, building our reputation for high-density urban schemes.
- ➔ Our Oak Specialist Services business delivers the remedial cladding and fire safety improvements the sector is looking for.
- ➔ Our experience coupled with our established supply chain allows us to deliver the mid-rise housing schemes that are key to regeneration in our towns and cities.
- ➔ We have the skills to deliver land-led models for assembling developments, leveraging the experience of our Investments business in the Private Rented Sector, to assist RP partners.

Source: <https://www.gov.uk/government/news/government-unveils-plans-for-next-generation-of-new-towns>



Market opportunity

Changing regulation

Changes to fire safety

The Building Safety Act came into law in January 2022 and sets out safety requirements for landlords and owners of higher-risk buildings, driving a huge focus on fire safety across both new build and existing stock.

Our response

- Oak Specialist Services, part of our Specialist Services business, provides cladding remediation, passive fire protection, fire maintenance, risk assessments, building fabric surveys, new-build facades and green retrofit.
- We see an opportunity to grow Oak from its focus on London, utilising Galliford Try's UK-wide office footprint to provide a nationwide service to clients who currently have different suppliers in different regions.
- The market represents long-term, higher-margin annuity type revenue, due to the requirement for repeat services such as inspections.



Drive for decarbonisation and action on climate change

Labour described the climate and nature crisis as “the greatest long-term global challenge we face”. This is emphasised by the fact that the UK is committed to achieving net zero carbon by 2050.

According to the Construction Industry Council, the built environment is responsible for approximately 38% of global carbon emissions. Construction therefore has a major role to enable change.

Our response

Investing in knowledge: we have upskilled our teams to better understand how we can design, build and maintain low-carbon infrastructure and buildings through selection of materials and construction methodologies, operational energy consumption and, where relevant, end-of-life decommissioning.

- Our capabilities in asset optimisation and retrofit enable our clients to increase the lifespan of their facilities and to optimise their performance including environmental credentials. These skills are increasingly enabling our clients to achieve their carbon goals.
- Our approach to digitalisation for efficiency and adoption of new technologies such as design rationalisation using our Building Information Modelling (BIM) tools and experience helps us avoid over-specification and reduce materials consumed and waste created.
- Adopting Modern Methods of Construction (MMC) such as off-site manufacture helps to minimise waste and uses materials more efficiently. It also mitigates against safety risk and adverse weather conditions by reducing time on site.



Market challenge

Skilled and experienced people are in high demand across the UK

As investment in construction projects starts to grow, it is emphasising the lack of skilled professionals in the market. These labour and talent shortages could significantly impact the delivery of UK infrastructure.

In the Spring Statement, the Government committed £625m in England over four years to boost existing training routes, ensure a sustainable flow of skilled construction workers and support employers to invest in training. The 2025 Spending Review specifically commits to training up to 60,000 skilled construction workers.

Our response

➔ Over the last 18 months, we have invested in our Employee Value Proposition (EVP). Our EVP is the unique set of benefits that our people receive in return for the skills, capabilities and experience they bring to our business so that we can encourage retention and attract the right talent. As a result, 87% recommend us as an employer and employee churn is in line with our objectives.

- ➔ Our people-orientated culture, including initiatives such as agile working and our focus on wellbeing, further support retention and make Galliford Try a more attractive employer, helping us to appeal to a diverse range of employees, and broadening our pool of potential recruits.
- ➔ Investment in our people's learning and development ensures we have the skills we need to carry out our operations and is seen as an attractive benefit to existing and potential talent.
- ➔ Succession planning: a structured approach to succession planning enables us to meet the future needs of our business with less likelihood of disruption to operations.
- ➔ Our graduate, trainee and apprentice programmes allow us to build our own talent pool. In addition, we actively promote our industry to school and college leavers, as well as graduates through social media use, presentations, visits to our sites and careers exhibitions, which help to encourage a career in construction for future generations. Our approach breaks down stereotypes of the industry and presents it as an important enabler of the UK's plans for the future.

➔ Benefits: we continue to monitor and enhance our rewards package to improve our EVP. As well as salary and bonus, this extends to company car or car allowance, paid volunteering days, employee assistance programmes, private healthcare and discount schemes.



Case study

UK leading employee advocacy



Our 2025 Employee Survey results demonstrated that we continue to outperform the sector and UK for employee engagement.

We retained our record high employee advocacy score of how likely our people are to recommend us as a great place to work at 87%, compared to 81% across the heavy construction sector and 75% across UK companies.

Overall engagement also remained consistently high, increasing slightly to 75% and again, exceeding UK and industry benchmarks. These results come from an excellent participation rate of 80%, with 3,422 of our people taking part.

CultureAmp, the insights organisation that runs our survey, fed back that our people feel "valued, respected, and supported" by managers and colleagues. This confirms our approach to being a people-orientated, progressive, values-driven business. We continue to act on feedback and recognise that beyond the areas we are doing well, such as safety, ethics, being kept informed, being treated well and the impact we make in communities, there are also areas we can enhance further such as systems and processes, and showcasing progression routes better. Encouragingly, these are areas which we are already making changes in.

87%

employee advocacy score.

Our strategy

Delivering Sustainable Growth

In May 2024, we updated our financial growth targets through to 2030, as follows:

Revenue	Growing to in excess of £2.2bn, maintaining disciplined contract selection and robust risk management in resilient market sectors.
Divisional adjusted operating margin	Increasing to 4.0% through a focus on both top and bottom-line growth and accelerated growth in our higher margin adjacent market businesses.
Cash	Retaining a strong balance sheet and operating cash generation.
Dividends	Delivering sustainable dividends with earnings cover of 1.8x.

Our plan to achieve these targets is to:

Grow revenue and margin in our three core businesses	Grow our specialist businesses in higher margin, adjacent markets	Re-enter the Affordable Homes market	Leverage our geographical and client footprint across the UK	Continue to generate growing shareholder returns
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Our strategy is underpinned by our approach to sustainability, which is to champion a people-orientated, progressive culture, operating in a socially and environmentally responsible way, delivering high-quality buildings and infrastructure through a focus on quality and innovation, to provide sustainable financial returns.

Grow revenue and margin in our three core businesses



Building



Highways



Environment

Volume growth and leverage

- ➔ Top-line growth will be driven primarily by organic expansion in our established Building, Environment and Highways sectors, where there is strong demand driven by the Government's ambitions to stimulate the economy and modernise infrastructure, for a more productive, well-connected, resilient, low carbon nation (see Market review).
- ➔ We will leverage our framework positions, long-standing client and supplier relationships, and repeat business in regulated public sectors including water, defence, education, custodial, highways and health to grow volumes and revenue to in excess of £2.2bn.
- ➔ Contractual discipline, risk controls and our selectivity about the work we pursue will ensure we only take on work we can deliver successfully and embed appropriate profit.

Better contracting environment

- ➔ 99% of our order book is procured via multi-stage negotiation and early involvement (page seven) which lower operational and financial risk profile through:
 - ➔ Improved buildability, programme, and construction risk through earlier collaboration between designers, contractor and supply chain.
 - ➔ Improved innovation by enabling us to share expertise and ideas early in the design phase.
 - ➔ Reduced costs by mitigating risks early, fewer changes to design and subsequently less delays during construction.
 - ➔ Quicker delivery as a result of more efficient planning and mobilisation of resources.
 - ➔ More reliable budgets and accurate cost estimates.
- ➔ Changes introduced by The Construction Playbook, published by the UK Government in December 2020, have created a more mature contracting environment in the construction industry by promoting collaboration, innovation, and early contractor involvement. This is fostering a more co-operative approach to problem-solving and risk management and encouraging a shift towards value-based procurement, which considers the whole-life costs of a project and quality outcomes, rather than just the initial capital cost. This is demonstrated in the example of how we win our work on page seven, contributing to the bottom line.
- ➔ Operational improvements will deliver gains via our focus on quality, using digital tools and Modern Methods of Construction, improving our productivity and efficiency, adding to the bottom line.
- ➔ Overhead leverage as we grow volumes will lead to increases in operating income.

Progress

- ➔ During the year, we secured £2.2bn of work, which contributed to 6.3% revenue growth in the year, and an increase in divisional adjusted operating margin of 42 bps.
- ➔ We took over £133m of projects following ISG going into administration.
- ➔ Our order book stands at a record £4.1bn of work, which is all high-quality.
- ➔ We have secured 92% of our projected work for FY26 (2024: 92%) and 75% for FY27 (2024: 70%).

i See Operating review p54.

Grow our specialist businesses in higher margin, adjacent markets



Private Rented Sector (PRS)



Capital maintenance and asset optimisation within the existing Environment sector



Affordable Homes



Specialist Services

We have niche capabilities in higher margin, adjacent markets of capital maintenance and asset optimisation within the existing Environment sector, and Specialist Services including fire protection, digital infrastructure, electronic and physical security, and FM. Our skills and experience in the Private Rented Sector also benefit our growth plans in affordable homes.

These adjacent markets offer a lower-risk path to growth by leveraging existing strengths and resources, and will allow us to expand into new areas where there is strong demand (page 10) while mitigating the risks associated with entering entirely new, unfamiliar markets.

Many of the specialist markets are fragmented, and clients struggle to find national contractors like us who can deliver across their portfolios.

We have the opportunity to utilise existing client relationships, the strength of our brand, and existing infrastructure, processes, and supply chains to penetrate markets, while also to selling new services to existing customers.

We will continue to assess any potential future acquisition opportunities in line with our strategic priorities, as we did with four bolt-on acquisitions from 2021 to 2023.

Progress

During the year, our Specialist Services have been focusing on their unique selling proposition and promoting their work to new clients.

- ➔ FM continued to make a good contribution to our business and has an order book of £382m.
- ➔ Our Digital Infrastructure business was rebranded from Telecommunications to reflect its expanding services in emerging digital infrastructure markets.
- ➔ Water Technologies opened a new Operations Centre in Paisley, Renfrewshire which provides 640 sqm of manufacturing space and new workshops for our Lintott Control Systems, Ham Baker Engineering and Galliford Try Fabrications businesses. This will help grow our capability in off-site build, capital maintenance and asset optimisation for our water clients.
- ➔ Asset Intelligence launched its own social media account, and AVRS recently developed a new website enabling them to sell their services both as part of Galliford Try and as standalone businesses, which is of particular advantage when selling to fellow contractors.
- ➔ Our order book in the Specialist businesses reached £0.5bn.

Re-enter the affordable homes market

We are strategically expanding into the affordable homes sector, with a particular focus on urban, mid- to high-rise developments. Our goal is to deliver approximately 1,200 affordable homes annually by 2030.

We plan to achieve this by leveraging our extensive experience in constructing apartment buildings for private sector clients, our well-established supply chain relationships, and our regional teams and office bases.

This expansion builds on our evolving private residential portfolio, through which we have delivered upwards of 3,000 homes since 2020 and strengthened our reputation for high-density, urban projects.

Progress

By deepening our partnerships with local authorities and housing associations, we have rapidly secured a strong foothold in this adjacent market, earning recognition as a preferred development partner. We are being recognised for having the expertise to meet the challenge of residential decarbonisation, and our approach to MMC which is directly transferable to the affordable homes market, allowing us to deliver high-quality homes efficiently.

Our team is led by an Affordable Homes Director to develop Galliford Try's offering in the sector, and build relationships with affordable housing providers, local authorities and wider stakeholders.

We have secured places on major frameworks including, the £3.2bn Communities Housing Investment Consortium (CHIC) and the Homes England DPS.

We are targeting delivery of

1,200+

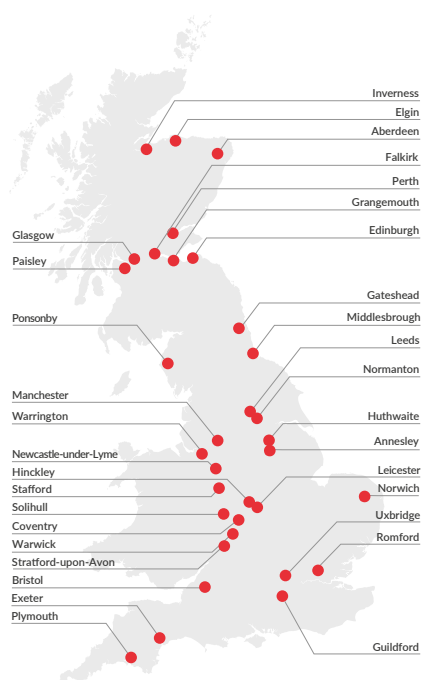
affordable homes per annum by 2030, with anticipated turnover per annum being £250m+ by the same date.



Pictured above: we acquired Lintott in 2021 as part of the purchase of nmcn's water businesses. Lintott is a specialist manufacturer of control panels and chemical dosing systems for the water industry, and a pioneer in digital solutions for the sector. This represents a higher margin adjacent market for us.

Leverage our geographical and client footprint across the UK

We will continue to leverage our extensive geographical footprint and strong client relationships across the UK as part of our strategy. By tapping into established networks with clients and suppliers, as well as engaged regional teams, we can efficiently target and deliver growth in our core and adjacent markets. Our national presence enables us to make the most of resource allocation, and where appropriate, scale operations in line with our growth goals.



Continue to generate growing shareholder returns

Coupled by our no-debt position and robust cash, we will continue to deliver shareholder returns in line with our capital allocation policy.

These will be generated through a combination of expanding our business through organic growth, bolt-on acquisitions where they fit our criteria, improving operational efficiency, and effective capital management.

Progress

We have demonstrated a trajectory of growing shareholder returns, with £107.7m returned to shareholders from FY21 to FY25.

£107.7m

The total of our shareholder distributions inclusive of the newly announced £10m share buyback since FY21 is c£107.7m.



Strategy in action

Pioneering AI to drive down security and risk for safer and smarter working

Galliford Try Asset Intelligence has announced a strategic partnership with tech company Chooch to integrate AI into selected operations for enhanced security, safeguarding and improved operational efficiency.

The new technology enables real-time, autonomous site monitoring which can detect potential safety risks, deliver rapid alerts, and provide intelligent insights that can be used across physical and electronic security systems, as well as fire detection solutions.

Key benefits of the integration include:

- ➔ Workplace safety: automated detection of safety hazards, reducing accidents and improving response times to incidents.
- ➔ Real-time asset protection, prediction, monitoring and data analysis, enhancing resource efficiency and driving smarter operational decisions. For example, alerting us when a trickle bed filter at a wastewater treatment plant needs replacing.
- ➔ Fire detection: early, accurate fire detection to protect people, assets, and the environment.

Chief Executive's review

Five years of sequential and profitable growth



This year we delivered our fifth set of full year results since becoming a standalone construction group, generating consistent revenue and margin growth and marking an excellent start to our updated Sustainable Growth Strategy to 2030. With strong demand in our chosen markets, backed by Government policy, our excellent teams and leading framework positions, we are well placed for the future.

Bill Hocking
Chief Executive

Our results, and wider performance for the full year, once again demonstrate the progress we are making as a business, and towards the objectives of our Sustainable Growth Strategy.

Revenue was up 6.3% from £1.8bn to £1.9bn in the year. Divisional adjusted operating margin rose from 2.5% to 3.0%, delivering our previously communicated margin goal one year ahead of target and resulting in adjusted profit before tax of £45.0m, up 28.6% from the same period last year. Building and Infrastructure each contributed towards revenue and profit targets in line with our plan. Further information can be found in the Operational review.

We recorded adjusted earnings per share for the year of 34.4p (2024: 29.6p). The statutory earnings per share in 2025 were 33.7p (2024 restated: 27.3p).

Our balance sheet remains robust with £237.6m of cash at the year end, importantly, average month-end cash was £178.7m compared with £154.8m last year. Again, this reflects the quality of the projects we select and how tightly we manage them. Building on this, we announced the establishment of a £25m Revolving Credit Facility which will provide further agility, optionality and resilience to our capital allocation policy across our 2030 Sustainable Growth Strategy period (page 16).

Delivering on our strategy for Sustainable Growth to 2030

Growing revenue and margin in our three core businesses

In the early part of our strategy period, we are making good progress towards our targets. All our management teams and people are aligned to our goals, and we have excellent client and supplier relationships, coupled with the right market conditions to succeed.

As outlined in the Strategy section on page 16, we continued to grow our high-quality order book at £4.1bn (2024: £3.8bn) providing long-term visibility and security of workload, and we have already secured 92% of revenue for the next financial year.

There continues to be robust, long-term demand across all our sectors, driven by ageing social and economic infrastructure which needs to be repaired, improved or replaced to cater for a growing population, the effects of climate change and to support and enhance the UK's productivity. We have leading positions in the sectors and frameworks that are responding to these challenges and see a solid pipeline of opportunity well into the future.

Key highlights

£1.9bn

Revenue increased 6.3% from £1.8bn to £1.9bn in the year.

£4.1bn

We have a record £4.1bn order book (2024: £3.8bn).

19.0p

A full year dividend of 19.0p, up 22.6% on last year.



Growing our specialist businesses in higher margin, adjacent markets

When we announced our strategy in May 2024, we said that margin growth from this part of the business and affordable homes would be biased towards the latter part of the strategy period, as those adjacent market volumes start to come through.

As described in the Strategy section, these businesses are building their brands and client base, and winning new work. We are pleased with their progress at this early point in our strategy period.

Re-enter the affordable homes market

There is no doubt that the UK is in urgent need of affordable homes. The new Government has strong ambition and funding streams are now becoming clearer following the Spending Review. Having been appointed to the £3.2bn Communities & Housing Investment Consortium (CHIC) Newbuild Development Framework for affordable housing last year and Homes England's Dynamic Purchasing System, we are confident of our objectives, and have the geographic bases, people and supply chain to deliver on our ambition in this key market in the coming years.

Leverage our geographical and client footprint across the UK

The progress we are making is based upon the excellent coverage we have across the UK and this continues to be an advantage to us. Our 33 bases accommodate 21 business units, which facilitates collaboration and will help us expand our client footprint nationwide. For example, Oak is based in our Uxbridge office alongside our Building London and South East business unit, and they are working on opportunities together. FM also co-locates with our Building business, and this has served them well historically.

Continue to generate growing shareholder returns

On 21 May 2025, we completed our second share buyback programme, announced on 3 October 2024. Under this share buyback programme, a total of 2,690,861 ordinary shares of 50 pence each were repurchased, and subsequently cancelled, at an average price of approximately £3.72 per ordinary share, and a total cost of £10m.

On 17 September 2025, we announced a further share buyback of up to £10m with our full year results, in line with our policy to return excess cash to shareholders, and in response to another good cash performance, record order book and confidence in the future.

On the basis of our full year performance, we announced a final dividend of 13.5p, to give a full year dividend of 19.0p, up 22.6% on last year. Adjusted earnings per share were 34.4p against dividend cover of 1.8 times and we have provided a total shareholder return of 352% for the period from 1 July 2020 to 30 June 2025.

A people-orientated, progressive culture

Our culture starts with the aim to achieve no harm to anyone linked with our operations and we were pleased to reduce our Accident Frequency Rate (AFR) to 0.03 in the year (2024: 0.04). Health and safety is the first item on our meeting agendas and we constantly review the behaviours and actions we take on site, and look to understand the mindsets of our teams and how we can eliminate risk through the use of digital tools and MMC. It speaks to our approach that 96% of our people believe we place top priority on health and safety.

As described in the Chair's review, we consider our people to be a differentiator, and continue to invest in our EVP to retain and gain the right people across our business. During the year, we refreshed and launched 120 Career Paths that show our people clear routes for advancing through our organisation, each with bespoke 'Success Factors' that will facilitate their progression.

With our business and teams growing, we are launching a new induction platform, which will help us retain our strong culture as new people join our business. We are on the right track, and 87% of our people recommend us as a great place to work.

Operating in a socially and environmentally responsible way

We continue to focus on developing collaborative, long-term relationships with our supply chain partners through our Advantage through Alignment programme which offers training and education, sharing our working practices, values and our vision, access to our behavioural safety programme and Continuing Professional Development. 59% of our core trades spend is with these suppliers.

We signed up to the Fair Payment Code, which replaced the Prompt Payment Code and drives good payment practice and achieved Bronze status for paying at least 95% of all invoices within 60 days.

Carbon remains high on the agenda for the UK, our clients, our business and employees and we published a comprehensive Net Zero Route Map, detailing how we aim to achieve net zero by targeting 16 specific areas.

In February 2025, we maintained our score of B in CDP, the global environmental disclosure framework, in recognition of our commitment and action to address climate change. For the fourth time, we were awarded an AAA rating from MSCI, which measures companies' resilience to financially relevant, industry-specific sustainability risks and opportunities.

We also received the London Stock Exchange's Green Economy Mark as part of a select group of businesses gaining at least 50% of their revenues from activities that benefit the environment.

Our efforts are the result of investing in and developing carbon expertise within our business, as well as upskilling our supply chain.

Finally, we continue to make a positive impact in the communities where we operate, above and beyond the buildings and infrastructure we provide, and we delivered more than £1,076m of social and local economic value on projects that were completed in the period.

Executive Board changes

Ensuring we have the right leadership to deliver our plans is key and we were pleased to make two appointments during the year.

In line with the growth of the business, we welcomed David Lowery to the newly-created position of Managing Director – Infrastructure on 1 July 2024. David was previously Managing Director of the Highways business, which he joined in 2021, and has extensive UK and overseas experience comprising more than 24 years.

After over 27 years of exceptional leadership and invaluable contributions to the Group, Mark Baxter, Executive Board member and Managing Director of Specialist Services, confirmed his decision to retire at the end of 2026. Thomas Faulkner was appointed to the Executive Board on 15 September 2025. Thomas, who has 30 years of experience in construction with a strong background in water, environment, highways, rail and specialist services, will succeed Mark, taking up his new role in a phased manner.

Outlook

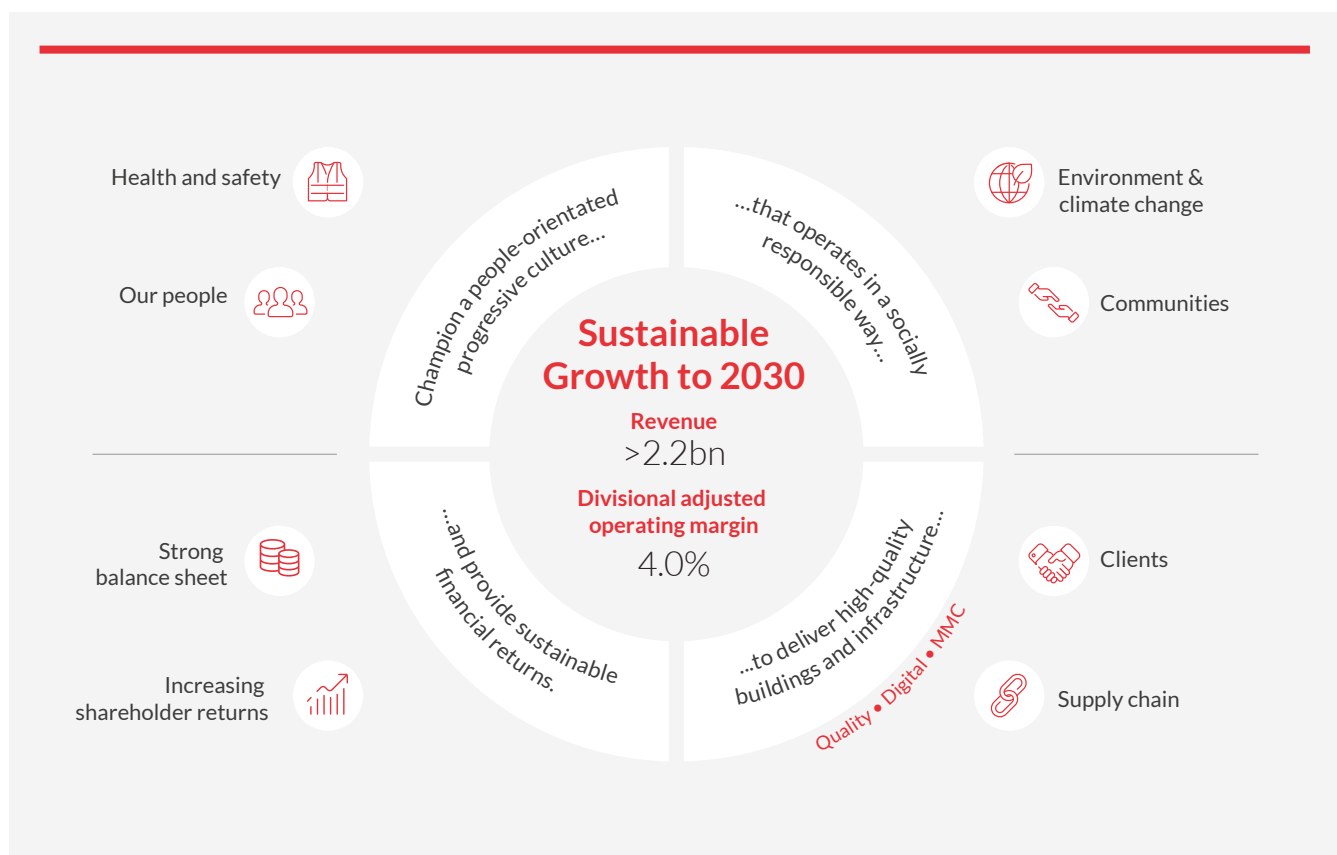
We are pleased with the progress we have made in this early part of our strategy and have all the right fundamentals in place, with great client and supplier relationships and strong market positions and conditions, to carry out our plans successfully. My thanks go to our people and supply chain, whose ongoing commitment, attitudes and passion have been pivotal to our success to date.



Bill Hocking
Chief Executive

Operating sustainably

Sustainability underpins the delivery of our strategy



Operating sustainably helps us to win work, engages our employees, benefits communities and the environment, and makes us more efficient. This is why Environmental, Social and Governance (ESG) matters are an integral part of our strategy, and at the core of how we deliver long-term stakeholder value.

Oversight of ESG

The Executive Board has overall responsibility for setting policy and monitoring our sustainability performance.

Main plc Board oversight of sustainability is maintained through several means.

The ESG Committee meets four times a year and is chaired by the Chief Financial Officer. Committee membership comprises the Director of Sustainability, senior representatives from our operating divisions, and relevant Support Services leads from Supply Chain, Low Carbon Construction, Environmental, Communities and Social Value, Human Resources, and Pre-construction.

In addition to the Committee's formal activities, the Board receives further insight into ESG topics through progress reporting with KPIs and presentations from subject matter experts.

Updates to our ESG Committee

During the year, we reviewed and updated the ESG Committee's terms of reference to provide greater rigour and structure to its work. The Committee's governance role now covers:

- ➔ Agreeing ESG strategy and policies.
- ➔ Agreeing ESG metrics and targets, and monitoring performance against them.
- ➔ Regulatory compliance with ESG matters.
- ➔ Risk management of ESG matters.
- ➔ Reporting and disclosure of ESG matters.
- ➔ Stakeholder engagement.
- ➔ Learning and development around ESG.

Stakeholder materiality assessment

We publicly report our progress across six areas: Health and Safety, Our People, Environment and Climate Change, Communities, Clients and Supply Chain. When developing our initial Sustainable Growth Strategy in 2021, we assessed the relative materiality of sustainability priorities for different stakeholder groups across these areas. The ESG Committee reviews the assessment and related KPIs annually, to ensure they continue to reflect the priorities of our key stakeholders.

This year, the main changes were to reflect the high and increasing importance of talent, development and retention, and quality to our clients, investors, employees and supply chain.

The updated priorities are summarised to the right. They guide our sustainability priorities and targets, as detailed in this section.

Policies

In addition to our Sustainability Policy, our policies and processes for Health and Safety, Our People, Environment and Climate Change, Communities, Clients and Supply Chain are contained within our BMS which defines our approach to all key operations and sets out the standards we must adhere to. Use of the BMS ensures consistency, governance and control, and effective risk management by mitigating issues at source. Our policies are also advertised via our Code of Conduct, through new starter inductions and training including refresher modules.

i See page 76.

Recognition in the year

During the year, we received MSCI's highest ESG rating of AAA for the fourth consecutive year, a testament to our commitment to sustainable growth and responsible business practices. MSCI is a leading provider of critical decision support tools and services for the global investment community whose ESG ratings assess a company's resilience to long-term ESG risks, scoring firms on an industry-relative scale from AAA to CCC based on their business model. Other awards and accreditations are listed within the corresponding sections on pages 24 to 49.

Stakeholder materiality assessment

Sustainability pillars	Priorities	Key stakeholder groups					
		Clients	Investors	Employees	Supply chain	Communities	Regulators
 Health and safety Page 24	Physical health and safety	↔	↔	↔	↔	↔	↔
	Mental health and wellbeing	↔	↔	↔	↔	↔	↔
 Our people Page 28	Equity, diversity and inclusion	↔	↔	↔	↔	↑	↔
	Human rights	↔	↔	↔	↔	↑	↔
	Talent, development and retention	↑	↑	↔	↔	↔	↔
 Environment and climate change Page 32	Carbon emissions	↔	↔	↑	↔	↔	↔
	Waste	↔	↔	↔	↓	↔	↑
	Water	↔	↔	↔	↔	↔	↔
	Biodiversity	↑	↔	↔	↔	↔	↑
 Communities Page 36	Employment	↑	↔	↔	↔	↔	↔
	Economic growth	↑	↔	↔	↔	↔	↔
	Disadvantaged or underrepresented groups	↔	↔	↔	↔	↔	↔
	Community engagement	↔	↔	↔	↔	↔	↔
 Clients Page 40	Innovation and efficiency	↔	↑	↑	↔	↔	↔
	Energy efficiency of built assets	↔	↔	↔	↔	↔	↔
	Quality	↑	↑	↑	↔	↔	↔
 Supply chain Page 44	Responsible sourcing	↔	↓	↔	↔	↔	↔
	Fair payment	↔	↔	↑	↔	↔	↔

Relative importance
● High ● Moderate ● Low

Movement in the year
↑ Increased ↔ Unchanged ↓ Decreased

Our key ESG ratings



AAA



B

Management
(Taking co-ordinated
action on climate issues).



The Green Economy Mark
recognises companies that derive
at least 50% of their revenue from
green products and services.



Health and safety

Our objective is to prioritise health, safety and wellbeing, and ensure no harm to anyone linked with our operations. We achieve this by prioritising our Lead Indicators, through our behavioural safety programme Challenging Beliefs, Affecting Behaviour (CBAB), and our wellbeing initiative, Be Well.

Key UN sustainable development goals





Performance in the year

Our commitment to health and safety extends to all people across our sites and offices. The KPI calculations on this page include our own employees, subcontractor employees and visitors.

Accident Frequency Rate (AFR)

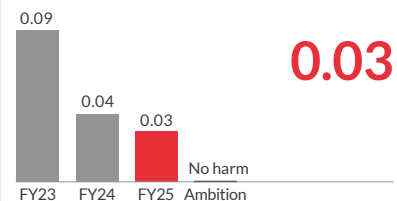
Our AFR, which measures the number of injuries resulting in more than seven days away from work or those listed as RIDDOR specified, reduced to 0.03 during the year (2024: 0.04). In addition, 13 out of 21 business units recorded an AFR of zero.

Lost Time Frequency Rate (LTFR)

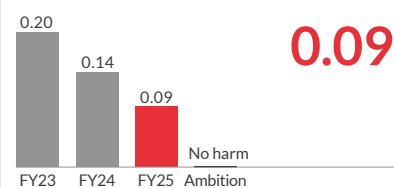
We also reported a further reduction in our LTFR, which measures every incident that results in more than a day away from work, and fell to 0.09 during the year (2024: 0.14).

Both our AFR and LTFR are at record lows for us. We attribute this continuous improvement to our culture of care, embedded through CBAB, a programme based on awareness, training, coaching and visible leadership. We continue to develop our approach as we strive to achieve our ambition of no harm, believing nothing we do is so important that we cannot take the time to do it safely.

Accident Frequency Rate (AFR)



Lost Time Frequency Rate (LTFR)



We were proud to host the Department for Education's (DfE's) Health, Safety and Quality Forum at our Merrist Wood College project in Guildford, bringing together key stakeholders from the DfE and its supply chain partners to drive safety culture and continuous improvement across the industry.

Health and safety continued

Lead Indicators

While AFRs and LTFRs remain the industry standard measures of safety performance, internally we use Lead Indicators to drive improvement in safety culture and behaviour, as they enable us to proactively manage health and safety. Our Lead Indicators span six areas: leadership, communication, competence, culture, contractors and planning.

Highlights from the period include:

- ➔ Achieved 95% average monthly compliance with our Back to Basics requirements, which provide additional rigour to ensuring we have the right person, planning, equipment and workplace for each activity.

- ➔ 100% completion of Site and Safety Environmental Reviews (SSERs), which provide a comprehensive overview of how each site is running, and are attended by the senior project team, demonstrating visible leadership on safety (see below for further detail).
- ➔ Conducted 1,654 director tours (2024: 1,276) and 97,264 Safe Behaviour Discussions (2024: 60,491). These provide visible leadership and are a powerful way for management to promote and maintain safe behaviours on site, by engaging with operatives to reaffirm positive behaviour and constructively challenge any potential non-compliance.

In addition, our Chief Executive hosts fortnightly meetings with all business unit managing directors and heads of function. We continued to use these meetings to highlight and report on trends within our business and the wider industry, and reinforced this with a session on health and safety in our annual Senior Leadership Meeting in March 2025.

Other areas of focus

Health, Safety and Environmental (HS&E) Conference

Our bi-annual HS&E Conference brings together members of the Executive Board, senior leaders from across the business, and our HS&E team, to highlight HS&E standards and continuous improvement.



Scan to watch the video of the technology in action.

Case study

Innovative lift technology reduces safety risk

We used an innovative load assistance system to help reduce the risk of injury on a major beam lift at our Melton Mowbray Distributor Road (MMDR) project.

The Vita Load Navigator is a semi-autonomous propulsion-driven device that connects below the hook of the crane and is remotely controlled. It is capable of measuring over 1,000 data points per second to detect load movement in real-time and adjusts the load with high-powered fans to eliminate spinning and rotations, significantly reducing safety risk by minimising interface between site operatives and the beams, and reducing the number of people working at height.

The system was deployed to lift 18 concrete beams into place as part of two bridges over water courses.

The project won the Midlands Highways Alliance Award for Best Use of Technology in Construction and we have subsequently used the system on other infrastructure projects, including the A47 Tuddenham and Blofield schemes, where we received a Blue Star Award from National Highways for innovation in health, safety and wellbeing.

At this year's conference, we simulated a multi-faceted safety incident, working with a specialist drama group and actors. Delegates took part in role play and 'murder mystery'-style exercises, to reinforce the importance of proactive and informed leadership, working through 'flashbacks' from the actors who explained their thought processes in the lead up to the accident. There were observations from key protagonists, and participants reflected on the critical actions needed in the 'golden hour' after an incident.

The interactive approach brought to life the importance of noticing your surroundings, following policy, and maintaining records and documentation, through an impactful and engaging learning experience.

Enhancing our Health and Safety audit processes

SSERs form the basis of our approach to providing safety advice to our site teams and monitoring adherence to our policies and procedures. Reviews are performed every month with any non-compliance identified requiring a corrective action plan, including the date by which it will be completed. Statistics and trends in non-compliance are reported to business unit and divisional Board meetings each month.

During the year, we enhanced the SSER process by aligning the approach with the internal audits performed to assess compliance with the Occupational Health and Safety Management Standard (ISO 45001) and Environmental Management Standard (ISO 14001). This provides greater consistency in the assurance procedures we undertake and ensures they are focused on the most relevant issues. We have also trained 20 new internal HS&E auditors to support delivery of the internal audit programme, reflecting the growth in the business.

98%

of our people say they understand their role in keeping colleagues safe.

96%

of our people say we give Health & Safety a high priority.



Our HS&E Conference featured a staged workplace accident to engage 140 employees in interactive safety training, emphasising proactive leadership and critical decision-making with role-play exercises and expert panels.

Looking forward

We will:

- ➔ Review the HS&E Lead Indicators with a view to replacing those which consistently achieve 100% compliance, with new indicators targeted at improvement areas.
- ➔ Review HS&E core competencies Group-wide, to ensure that our people receive the best, up-to-date and most appropriate training and development for their roles.



Our people

Our objective is to create a progressive, people-orientated and inclusive culture that enables individuals to reach their potential.

Key UN sustainable development goals





Performance in the year

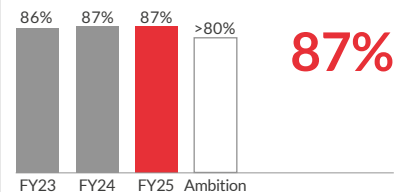
Employee advocacy

Employee advocacy is a powerful indicator of how engaged employees are, measuring how likely they are to recommend our business as a great place to work.

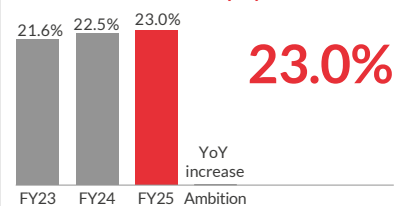
In our 2025 Employee Survey, we achieved an employee advocacy score of 87%, compared to a sector average of 81% and UK average of 75%. This is the third year in a row that we outperformed the sector and wider UK industries. Our engagement score, which is made up of a number of factors including employee motivation, commitment to our vision and pride in the company, was also above the sector average at 75%. This compares to 72% for the construction sector and 64% for UK companies. Analysis by CultureAmp, our survey provider, indicates that our people feel “valued, respected, and supported” by managers and colleagues.

Data-led insights like this demonstrate we are earning a place as a destination employer, not only within the industry but across the UK.

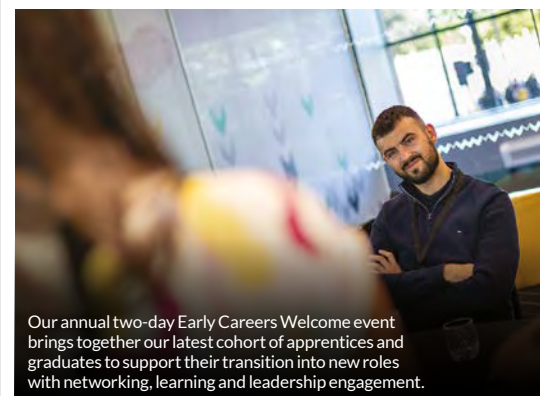
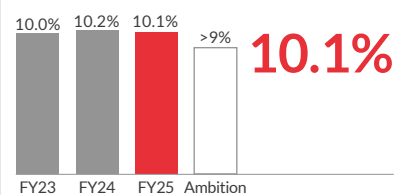
Employee advocacy



Women as a % of total employees



Early careers as a % of total employees



Our annual two-day Early Careers Welcome event brings together our latest cohort of apprentices and graduates to support their transition into new roles with networking, learning and leadership engagement.

Gender diversity

Gender split of women and men across our business at 30 June 2025.

Gender ¹	Women	Men
plc Board	2	4
Senior grades (A-D) ²	94	629
Total company	993	3,324

1 Gender figures are based on employee numbers at year-end.

2 Senior grades are defined as job grades A–D which encompass senior managers and directors, excluding plc Board directors.

Employing more women in our business is key to accessing diverse skills and talent.

This year, the proportion of women across Galliford Try increased to 23.0% from 22.5% last year.

During the year, we have continued work on our 'Women into Construction' project which has seen us survey the women who work at Galliford Try to understand their perspectives on the challenges women face in their careers, the specific barriers for women in operational roles in construction, the stages of women's careers where they are most likely to be impacted, and the areas we need to target to position us as a recognised place for women to establish long-term flexible careers. Based on the results of this work, we have identified the following areas for further action:

- ➔ Optimising the development experience.
- ➔ Continuing our work to build external talent pools.
- ➔ Engaging with and equipping our managers to support the continued development of our culture.

Importantly, the survey also highlighted that 84% of women would recommend Galliford Try as a place to work, and 70% see themselves here in the long term.

Since 2020, we have reduced our mean gender pay gap from 28.8% to 24.1%, and our median gender pay gap from 32.2% to 27.7%.

We also enhanced maternity pay (full pay) entitlement from 13 weeks to 26 weeks and established a £2,500 returner's bonus payment for employees who return to work from maternity/adoption leave and are still employed by the company 12 months from the date they return to work.

Early careers

Early careers roles (apprentices, trainees, graduates and sponsored students) remain a key focus for both retention and recruitment, as these roles help us to grow our own talent, shape our leaders and influence the skill sets and composition of our future workforce, including diversity.

- ➔ We maintained the percentage of early careers roles at 10.1% (2024: 10.2%) of our workforce.
- ➔ We are proud to have retained our Platinum membership of The 5% Club, which recognises the business's commitment to inclusion and social mobility, future growth of 'earn as you learn' opportunities and the quality of training and development. Platinum membership is awarded to companies that have 10% or more employees in 'earning and learning' roles.
- ➔ We have also been voted the number one Construction and Civil Engineering company for both Apprentices and Graduates by The Job Crowd, the UK's only graduate and apprentice employer ranking system based on employee feedback. We ranked seventh for apprentices and 21st for graduates across all industries.
- ➔ We continue to support the Institution of Civil Engineers QUEST scholarship programme, as a partner employer. As part of the programme, we support students who are studying for a degree in engineering by providing summer work placements and job opportunities once they graduate.

Other areas of focus

Equity, Diversity and Inclusion

We completed the delivery of inclusive leadership education and awareness sessions to all our business unit leadership teams. These consisted of in-person modules, self-evaluations and personal action plans to embed inclusion into their business plans.

To continue to develop our culture, we have also started the roll-out of Active Bystander training, which aims to help our people recognise and challenge any inappropriate behaviour they may see by providing them with the knowledge, tools and confidence to safely intervene.

We continue to work with The Clear Company, a global diversity and inclusion specialist, using their Clear Assured standard to embed the most inclusive practices across our organisation.

Enhanced induction programme

A quality induction leads to better retention, supports belonging, and reinforces our values and behaviours. During the year, we have been developing a digitised induction that improves the employee experience. The programme has been compiled based on feedback from across our employee population and comprises nine modules that help joiners understand our culture and ways of working, as well as practical modules on getting set up, what we do and how we do it. The effectiveness of the learning experience is supported by checks at the end of each module, which are designed to improve knowledge retention. A key feature of the programme is that it is underpinned by regular manager involvement. The new platform sets up our people for success.

Career Paths

We value learning at every level of the organisation and provide opportunities for our people to grow, both personally and professionally, and build 'Careers Without Compromise'. This could mean developing them further in their current role, supporting a sideways step, or helping them to move to a different area of the business.

In support of these objectives, and following a review by working groups across the business, we launched our new Career Paths app to help our people understand what career progression options are available to them within the Group.

There are 120 Career Paths, each with bespoke development options and 'Success Factors' – the key competencies including technical and behavioural indicators needed to be successful.

Each Career Path is built around the idea that 70% of learning comes from on-the-job experiences, 20% comes through feedback and coaching from other people, and 10% comes through formal training.

Our Learning and Development team has also developed a new version of our GT Academy app, with a new set of resources and content types and the ability for employees to personalise their experience, bookmark content and create their own playlists.

Defence Employer Recognition Scheme

Attracting employees from diverse backgrounds is one of the key elements of our Retain and Gain strategy. People who have served in the Military often have skills, experience and dedication that make them a key talent pool for our business. We are therefore committed to supporting Military personnel, recognising the positive impact it makes to both those individuals, our business and the community. We provide



an accessible route into the business through a combination of placements, buddy systems, and tailored programmes that are shaped by the experiences of existing employees who have previously worked with the Military.

We currently employ 93 ex-Military personnel, having recruited 16 people in the past year.

In recognition of our commitment to employing Armed Forces leavers, we achieved the Gold Award in the Defence Employer Recognition Scheme (ERS), the highest badge of honour for organisations that demonstrate outstanding support to the Armed Forces community. To receive Gold, employers must be exemplary within their sector, actively championing defence people initiatives and influencing partner organisations and suppliers to adopt similar supportive practices. Gold was achieved in July 2025, and Silver the previous year.

In June 2025, we were also recognised as one of the Top 50 employers for people leaving the Armed Forces, as named by the GREAT British Employers of Veterans programme.



Looking forward

We will:

- ➔ Expand employment outreach to disadvantaged groups, including ex-offenders, ex-Military and care leavers.
- ➔ Continue to work with The Clear Company to improve our approach to equity, diversity and inclusion.
- ➔ Continue to develop our approach to resourcing, enabling us to attract the best talent with a range of backgrounds and experience.
- ➔ Provide additional support and guidance to hiring managers about how to create a great candidate experience and support them to identify out-of-sector candidates who have useful skills for our business.



Case study

Retaining talent

Our internal mobility programme, Explore, is specifically designed to facilitate internal career moves, allowing employees to explore different roles and business units within the company.

Viktoria used our Explore internal mobility programme to relocate from the South of England to Scotland, enabling her to stay with the company while moving closer to her partner. With her project ending and 15 years of engineering experience, she saw it as the ideal moment to take her career in a new direction. She is now a Technical Administrator on the Scottish Water contract, where her engineering background has supported a smooth transition. Viktoria found the process simple and efficient, and highly recommends Explore as a clear example of how the company supports employee growth and values their skills.

401

promotions during the year, equating to 9.7% of all employees.

67

of our people used Explore to move roles internally during the year.



Environment and Climate Change

Our objectives are to adopt sustainable resourcing and consumption practices and take measures to mitigate carbon production and climate change, to protect our environment and biodiversity.

Key UN sustainable development goals



Performance in the year

As we report our carbon and energy data in calendar years, the following section represents our carbon and energy performance for Galliford Try for the calendar years 2024 and 2023, unless otherwise stated.

Scope 1 and 2 carbon emissions

Our Scope 1 emissions predominantly relate to fuel use in company cars and vans, and on-site plant and equipment. Our Scope 2 emissions relate to consumption of electricity across our sites and permanent offices, and EV charging of company cars.

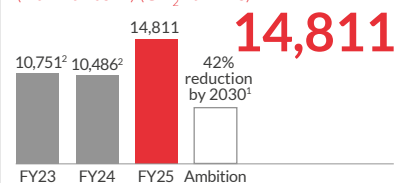
In 2024, our Scope 1 emissions relating to company cars and vans continued to trend down, reducing by a further 12% compared to 2023, as we complete the transition to EV/Plug-in Hybrid Electric Vehicles (PHEVs). This was partially offset by a 30% increase in Scope 2 emissions relating to EV charging of company cars. However net emissions across both scopes reduced by 8%. As at 30 June 2025, full battery electric and plug-in hybrids represented 98% of our company car fleet.

Emissions relating to the use of diesel on our sites increased to 9,185 tonnes CO₂e (2023: 4,612 tonnes CO₂e) in the year. This was driven by several factors, the most significant being:

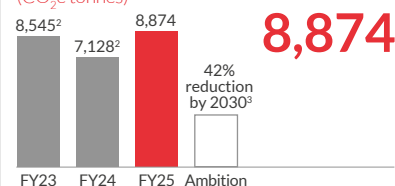
- ➔ High rates of growth in our Highways and Environment businesses, which have the highest intensity of diesel use.
- ➔ Increased use of diesel-powered pumps to dewater sites, due to exceptional levels of rainfall.
- ➔ Increased use of diesel generators as a result of delays in getting connections to the mains electricity grid.

As outlined in our Net Zero Route Map, which we published in September 2024, we are committed to achieving diesel-free construction by 2035. We have refreshed our guidance to staff on opportunities to reduce our use of diesel through deployment of energy-efficient plant and equipment, and transitioning to lower carbon alternative fuels. Our Green Site set-up Working Group continues to engage with the industry and our projects to find new opportunities. We will continue to monitor the impact through improved diesel reporting.

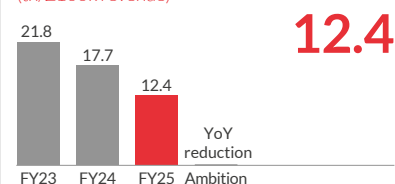
Scope 1 and 2 carbon emissions (market-based) (CO₂e tonnes)



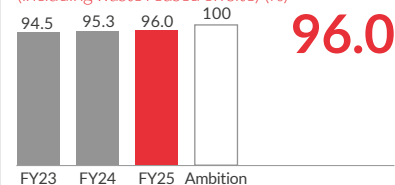
Verified scope 3 emissions (CO₂e tonnes)



Waste intensity (tn/£100k revenue)



Waste diverted from landfill (including waste reused on site) (%)



- 1 42% reduction by 2030, based on 2021 baseline.
- 2 Restated to reflect disposal of Rock & Alluvium.
- 3 42% reduction in total Scope 3 by 2030, based on 2021 baseline.



Environment and Climate Change continued

Because electricity represents an increasing proportion of our Scope 1 and 2 emissions, and we purchase 90% of our electricity on renewable tariffs (2023: 86%), we use market-based Scope 2 emissions within our headline Scope 1 and 2 emissions KPI. This also aligns with our science-based target, which reflects market-based Scope 2 emissions. The market basis uses emissions factors that reflect our actual electricity supply contracts and therefore allows us to demonstrate the impact of purchasing our electricity on renewable tariffs. The location basis uses the average generation mix for the UK and as such, is susceptible to changes that are outside of our control.

Our total Scope 1 and 2 emissions increased 41.2% year-on-year on a market basis, and by 35.0% on a location basis. These increases were driven by the significant increase in emissions relating to diesel used on site, offset slightly by the net reduction in emissions relating to company cars and vans.

Growth of the business has a significant impact on both Scope 1 and 2 emissions. We therefore monitor emissions intensity, measured in tonnes (t) of carbon dioxide (CO₂) equivalent (tCO₂e) per £100,000 of revenue in the corresponding calendar year, to provide a clearer picture of the impact of our emission reduction initiatives.

Our Scope 1 and 2 (market-based) emissions intensity increased by 15% from 0.69 in 2023 to 0.79 in 2024. This reflects the fact that the highest rates of growth are in our Environment and Highways businesses, which have the highest intensity of diesel use.

Despite these increases, we have reduced our reported Scope 1 and 2 emissions by 51% since 2012, and by 59% on a like-for-like basis, adjusting for acquisitions, disposals and improvements to methodology. We remain committed to achieving our target of achieving net zero by 2030.

Verified Scope 3 emissions

We include certain categories of Scope 3 emissions within the boundary of the external verification where we have sufficiently reliable source data, such as business travel expense claims, and information regarding employee commuting to calculate emissions using a distance-based method.

Our verified Scope 3 emissions increased by 22.4% from 7,128 tonnes CO₂e in 2023 to 8,874 tonnes CO₂e in 2024. The biggest contributor to this increase was 'Fuel and Energy Related Activities', which increased by 34.7% and is an estimate of the transportation, transmission and distribution losses associated with the energy use reported in Scope 1 and 2. Emissions from Business Travel and Employee Commuting increased by 24% and 15% respectively. These increases reflect the growth in employee numbers, as well as an increase in air travel.

Full Scope 3 emissions

In 2022, we estimated our full Scope 3 emissions using a spend-based approach. This involved analysing our expenditure by type of products and services, mapping those items to industry categories, and then applying generic spend-based emissions factors for those industries to estimate emissions.

This method is supported by the GHG Protocol Corporate Accounting and Reporting Standard for initial carbon footprinting, while working on improving data quality and accuracy, and gave us the following insights:

- Scope 3 emissions represent circa 98% of our total carbon footprint.
- Emissions relating to the materials and subcontracted services that go into our projects represent circa 89% of our total carbon footprint.
- Concrete and steel are by far the largest source of emissions, due to the volume of these materials that we use, and their high carbon intensity.

However, weaknesses in the spend-based methodology, as acknowledged in the GHG Protocol reporting standard, limit its effectiveness for monitoring carbon reduction progress. For example, in 2023, our Morrison Construction team began using Electric Arc Furnace (EAF) steel on all educational projects.

Case study

Northumbrian Water low-carbon concrete trial

Concrete is a major source of carbon emissions, with estimates suggesting its production and use is responsible for around 8% of global CO₂. To help us to achieve net zero carbon emissions across our operations by 2045, Galliford Try is delivering innovation activity to trial new solutions that will replace traditional concrete.

Working with partners including Cemex, Northumbrian Water, the Graphene Engineering Innovation Centre (GEIC) at the University of Manchester and Sika, we secured Innovate UK funding to develop a low-carbon concrete mix as part of the Combining Micronised Limestone and Graphene (CoMLaG) project. One issue with lower carbon concrete alternatives is that they often require longer curing periods than traditional concrete to reach the required compressive strength. This could result in project delays, supply chain disruption and increased economic pressure, and be a substantial barrier to adoption across the UK construction industry. Our project team identified this barrier and addressed it by incorporating Graphene, a 2D material additive, into the mix. Graphene-related materials can increase compressive strengths and the speed at which they are achieved. The innovative low-carbon concrete developed by the team also integrated micronised limestone, as a low-carbon replacement for Ordinary Portland Cement.

The project consisted of multiple laboratory tests carried out at the GEIC and at Cemex batching plants, trialling different combinations of materials. Once an optimum mix was determined, the Galliford Try team delivered a test pour of 15 cubic metres, creating a new access road at a Northumbrian Water Sewage Treatment Works. The live concrete pour was a success. The poured concrete has a strength equivalent to traditional concrete and a carbon saving of 49%. We are now looking forward to working further with our CoMLaG partners to support market development for the finished product.



The manufacturing process of EAF steel significantly reduces the use of fossil fuels, delivering a circa 77% saving on carbon, compared to traditional manufacturing processes. However, using the spend-based methodology, the estimated emissions associated with using this steel would show no carbon saving and may even result in higher emissions, depending on the market price of the material.

Therefore, having completed our initial full Scope 3 footprinting exercise, we are continuing to focus on developing a quantity-based approach to estimating emissions and have suspended reporting of estimated full Scope 3 emissions using the spend-based methodology.

We are working with our supply chain and technology partners to develop and trial technology solutions that allow us to estimate our supply chain carbon emissions using actual quantities and product-specific emissions factors.

Waste

Our waste intensity decreased from 17.7 tonnes per £100,000 of revenue in calendar year 2023 to 12.4 tonnes per £100,000 of revenue in calendar year 2024. Waste continues to be an area of focus, with increased use of Modern Methods of Construction, especially off-site manufacture, which can reduce the volumes of waste produced. Our focus on Right first time also reduces waste, through increased accuracy of materials required.

We also manage our waste streams to maximise recycling and minimise waste to landfill, with 96.0% of our waste diverted from landfill (2024: 95.3%).

Other areas of focus

PAS 2080: 2023 accreditation

We became one of the first organisations to be certified to both the buildings and infrastructure elements of PAS 2080:2023 – Carbon Management in Buildings and Infrastructure, following the expansion of PAS 2080's scope to include the entire built environment. It is the leading standard for carbon management in the built environment, covering the design, construction, operation, use and end of life of new and existing assets, with the aim to reduce costs and adapt to a low-carbon future. The achievement further evidences our ability to work with clients, consultants and suppliers to deliver low and net zero carbon projects and to help the UK transition to a net zero carbon economy by 2050.

Dedicated carbon learning

Upskilling our teams with the knowledge and skills they need is one of the critical success factors in delivering on our carbon reduction objectives, and one of the key enabling activities in our Net Zero Route Map.

During the year we reviewed and refreshed our 'Journey to Net Zero' e-learning course. This is a mandatory course for all staff, introducing the science of climate change, the key sources of carbon emissions in the construction value chain, and the targets and actions we have committed to as a business.

We have also developed and launched role-based learning courses, covering key bidding, design, operational and commercial roles. These modules go into more detail about topics that are relevant to those roles, such as guidance on common relevant carbon reduction opportunities, how to engage clients, suppliers and subcontractors to identify and realise project specific reduction opportunities, and how project teams should be recording and monitoring emissions.

'One in a Million' employee engagement initiative

At the beginning of 2024, we launched our 'One in a Million' employee engagement initiative. The aim is to engage our project teams in carbon reduction, by challenging them to identify innovative ways of reducing carbon and reporting their achievements to share best practice around the Group. The target was to identify a minimum of one tonne of carbon (tCO₂e) savings per £1m of revenue in 2024. Over the course of 2024, 49 projects from 11 business units across Galliford Try saved 7,225tCO₂e or 4tCO₂e/£m for the business.

Savings came from a range of initiatives, project types and stages, from championing the reuse of existing structures to fuel saved through use of hybrid generators. Over 4,800tCO₂e were saved through procurement of low-carbon EAF steel products across several projects. EAF steel in particular shows the importance of engaging with the supply chain as early as possible and capturing actual information, instead of relying on industry average data.

The One in a Million challenge has continued into 2025, with our focus this year on increasing the number of participating projects across the business.

Energy Savings Opportunity Scheme (ESOS) Action Plan

ESOS is a compliance programme run by the Environment Agency, which requires large organisations to perform an energy audit once every four years. We completed our energy audit in August 2024 and submitted the required action plan, which is based on the biggest energy saving opportunities identified in the audit. The plan focuses on four energy uses: hybrid generators, site cabins, car fleet electrification, and van fleet electrification. These four areas were already identified as priorities in our Net Zero Route Map and the ESOS action plan therefore aligns with our existing energy reduction initiatives.

Raising awareness on biodiversity

We recognise the impact that construction can have on biodiversity. Our aim is to protect, and where appropriate enhance biodiversity during our construction activities, for the benefit of all our stakeholders and society. To embed this commitment within our business-as-usual processes, we are integrating Biodiversity Action Plans (BAPs) into all our construction projects.

During April, we ran a week-long campaign to raise awareness of the importance of protecting and enhancing biodiversity through our construction activities and to upskill our teams on how to effectively manage biodiversity risks on our projects. The week covered a range of activities including:

- An introduction to biodiversity and how our teams can influence outcomes on our projects.
- Outlining the key processes within our BMS, to ensure we manage ecological risk from tender right through to the construction phase.
- Training on the management of invasive species, both plant and animal, and in particular how to protect against spread.
- A learning session on Biodiversity Net Gain.
- Training on the management of fish species in watercourses and the impact it can have on when and how we work.

Carbon Disclosure Project (CDP)

We continue to participate in the CDP, a global disclosure system for organisations to manage their environmental impacts. In 2025, we retained our score of 'B' 'Management level', recognising the progress we are making in embedding climate action into our governance, strategy and operations.

Looking forward

We will:

- Continue to encourage and capture carbon reduction opportunities realised through our One in a Million initiative, widening the target to all projects.
- Continue the development of our carbon data lake and develop enhanced carbon reporting, delivering on our ambitions for improved carbon reporting across all scopes.
- Review and update our Net Zero Partners initiative and develop carbon supply chain engagement plans for all construction business units.
- Begin to develop our 'Beyond Value Chain Mitigation' strategy, in support of our net zero targets.
- Review and update our science-based targets, to align with the revised Science-Based Targets Initiative Corporate Net Zero standard.



Communities

Our objective is to make a positive impact in communities where we operate, by delivering greater social value and improving lives.

Key UN sustainable development goals

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES





Performance in the year

Social and Local Economic Value

Delivering a legacy of positive social value outcomes is a key part of our strategy. This is the right thing to do as a responsible business and is also increasingly important for our clients. The Procurement Act 2023, which came into effect during the year, and the updated Public Procurement Notice – PPN002 Taking account of social value in the award of central Government contracts, reinforced social value as a priority for public sector clients and confirmed the requirement that a minimum of 10% of the evaluation criteria on public procurement tenders must relate to social value outcomes.

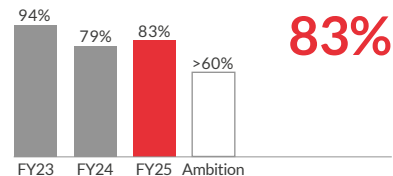
During the year, we transitioned to the Thrive platform to enhance how we record, measure and report on social value outcomes.

On the 18 projects (2024: 24 projects) over £5m completed during the year, we delivered £1,076m in Social and Local Economic Value (SLEV), with 83% of projects exceeding our benchmark of 25% of project value (2024: 79%).

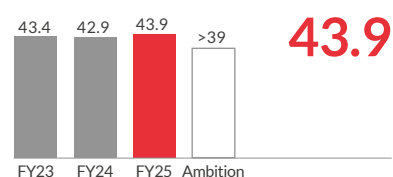
Thrive allows us to customise our own metrics in addition to using the IES (Impact Evaluation Standard) making it easier to align with our business and project needs. The platform supports every stage of our social value journey from planning, bid delivery and evaluation and has built-in tools for evidence collation and verification aligning to the Government's Procurement Policy Note 002: The Social Value Model. This approach:

- ➔ Is aligned with the UK Social Value Model, ensuring compliance with public procurement requirements.
- ➔ Provides robust, evidence-based estimates of social value for tenders, bids and reporting.
- ➔ Helps us report and promote the positive impacts we have made in the communities in which we operate.

% of completed projects delivering >25% SLEV as a % of contract value



Considerate Constructors Scheme (CCS) performance



20

Considerate Constructors Awards
received in the year.

7,300

Hours of volunteering time recorded.

Considerate Constructors Scheme

The Considerate Constructors Scheme (CCS) strives to improve the image of the construction industry and leave a positive legacy, by implementing best practice in the areas of community engagement, the environment and workforce wellbeing.

CCS scores and benchmarks construction sites on their positive impact within their locality. We maintained a high score of 43.9 (2024: 42.9) out of 50, outperforming our target and remaining above the industry average of 40.6.

Our project teams received two Gold, three Silver and 15 Bronze awards at this year's CCS National Site Awards, reflecting our teams' ongoing commitment to setting high standards across all areas of site operations.

We are also a member of the CCS Social Impact Group, which has been formed to help standardise social impact, increasing understanding, engagement, and communication of social value for the supply chain and stakeholders.

Other areas of focus

Mentoring the Next Generation

In September 2024, our mentoring scheme aimed at encouraging the next generation of women into construction welcomed the first cohort of 66 students across five schools. Each student has been paired with one of 36 female mentors from our business for the duration of the three-year programme, which will showcase the vast and rewarding opportunities in the sector. Individuals on the programme will benefit from improving their communication skills for the workplace, matching careers to their interests, and guidance with CV writing and interviewing.

The feedback we have had from students and their teachers is that the workshops are engaging and the students look forward to the sessions.

Following the successful first year, we are expanding the programme and have enrolled a further circa 60 students across six schools in the second cohort.

Open Doors

We took part in Build UK's Open Doors initiative again this year, with circa 500 students visiting 17 of our sites. We delivered presentations covering possible career paths in construction and the work we participate in, and gave attendees the opportunity to see how a live site operates, including how we work alongside our supply chain. This forms part of our early careers commitment and our broader engagement with the communities in which we operate.

Volunteering and charitable donations

One of the most tangible ways in which we create a positive legacy is through our staff and supply chain volunteering their time and resources to support community projects and causes. We encourage all employees to take up to two days of paid leave to undertake voluntary activities.

During the year, our own staff recorded 7,300 hours of volunteering time. As it is difficult to capture all volunteering time, including that of our supply chain partners, we believe the true amount is significantly higher.

To embed a volunteering culture, volunteer days are incorporated into our graduate and trainee training programmes. This includes requiring our graduates to sign up to become STEM (Science, Technology, Engineering, Mathematics) ambassadors, joining a national network of volunteers who bring real-life examples of STEM careers into schools, colleges, and universities across the UK.

In addition to volunteering hours, we donated time, materials and money to the value of £470,000 (2024: £365,000) to charitable and community causes including CRASH, the UK construction industry charity for the homeless, which we have been a patron of for 26 years.

Looking forward

- ➔ Increase our engagement with Crash by developing a 'Future Projects Visibility Schedule'.
- ➔ Embed Thrive into the business and align to our social value objectives and evidence capture processes.





Case study

Andy Ward, Operations Director for our Building North West business, was awarded a Lifetime Achievement Award by CCS, earning a place in their Hall of Fame.

Andy is one of only eight people to receive this award and was selected for his exceptional leadership, commitment to the CCS Code, and dedication to creating real change in the industry.

Andy's innovative contributions include introducing dedicated community managers and pioneering performance management for social value.



It's a privilege to be recognised by the CCS in this way. This industry has given me so much, and I've always strived to give back by driving positive change for both people and communities. This award is as much about the incredible teams I've worked with as it is about me.

Andy Ward
Operations Director for our
Building North West business

1 of 8

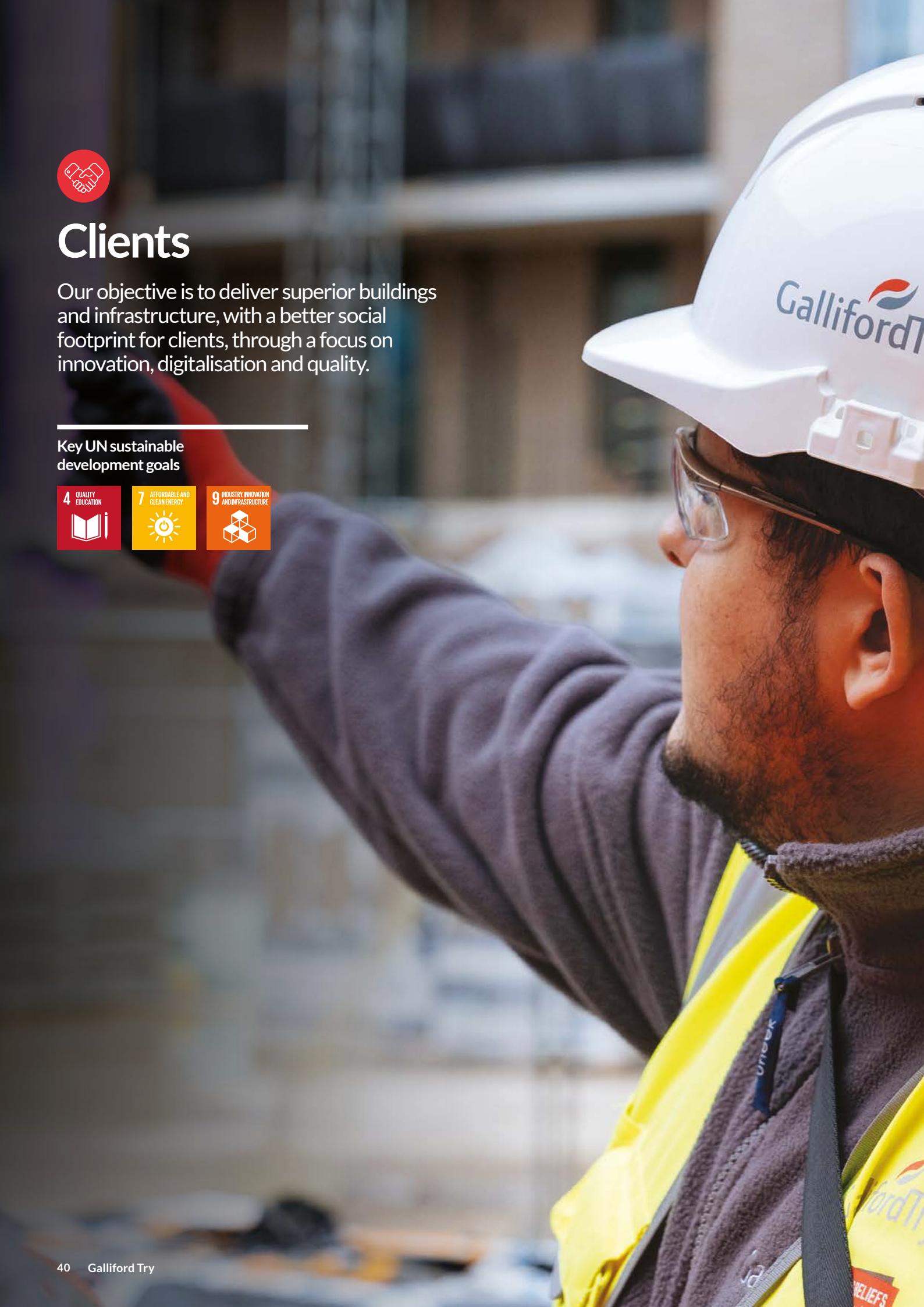
Only eight people achieved this award nationally.



Clients

Our objective is to deliver superior buildings and infrastructure, with a better social footprint for clients, through a focus on innovation, digitalisation and quality.

Key UN sustainable development goals



Performance in the year

Repeat business in our order book

Our performance is driven by understanding client priorities, building trusted relationships, providing technical expertise to solve client challenges and delivering high-quality buildings and infrastructure. This is reflected by the fact that 93% of the work in our order book is repeat business, with clients who we know and have collaborative, long-term relationships with, based on a track record of delivering high-quality outcomes.

Revenue secured at the start of the financial year

We continue to have a strong pipeline of work in our chosen markets, with 92% of FY26 revenue already secured and 75% of FY27.

Other areas of focus

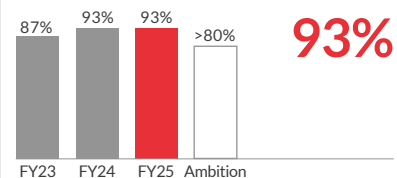
Strategic partnering through frameworks

Our focus on delivering quality outcomes and building trusted relationships with our clients is reflected by the fact that 90% of our order book is in frameworks. Frameworks are a vehicle for the public and regulated sectors to procure projects in a collaborative manner, forming long-term relationships, improving quality and creating efficiencies.

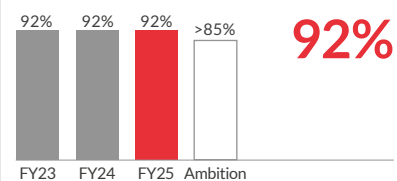
Securing positions on frameworks is our preferred route to market, as it provides us with greater certainty and the ability to act strategically. Key benefits include:

- ➔ Aligned objectives with acceptable risk.
- ➔ Established and well-understood terms and conditions, with predictable behaviour.
- ➔ Transfer of knowledge from project to project, creating an environment of continuous improvement.
- ➔ Efficient and streamlined procurement processes.
- ➔ The development of long-term strategic relationships.
- ➔ Long-term visibility of the opportunity pipeline.

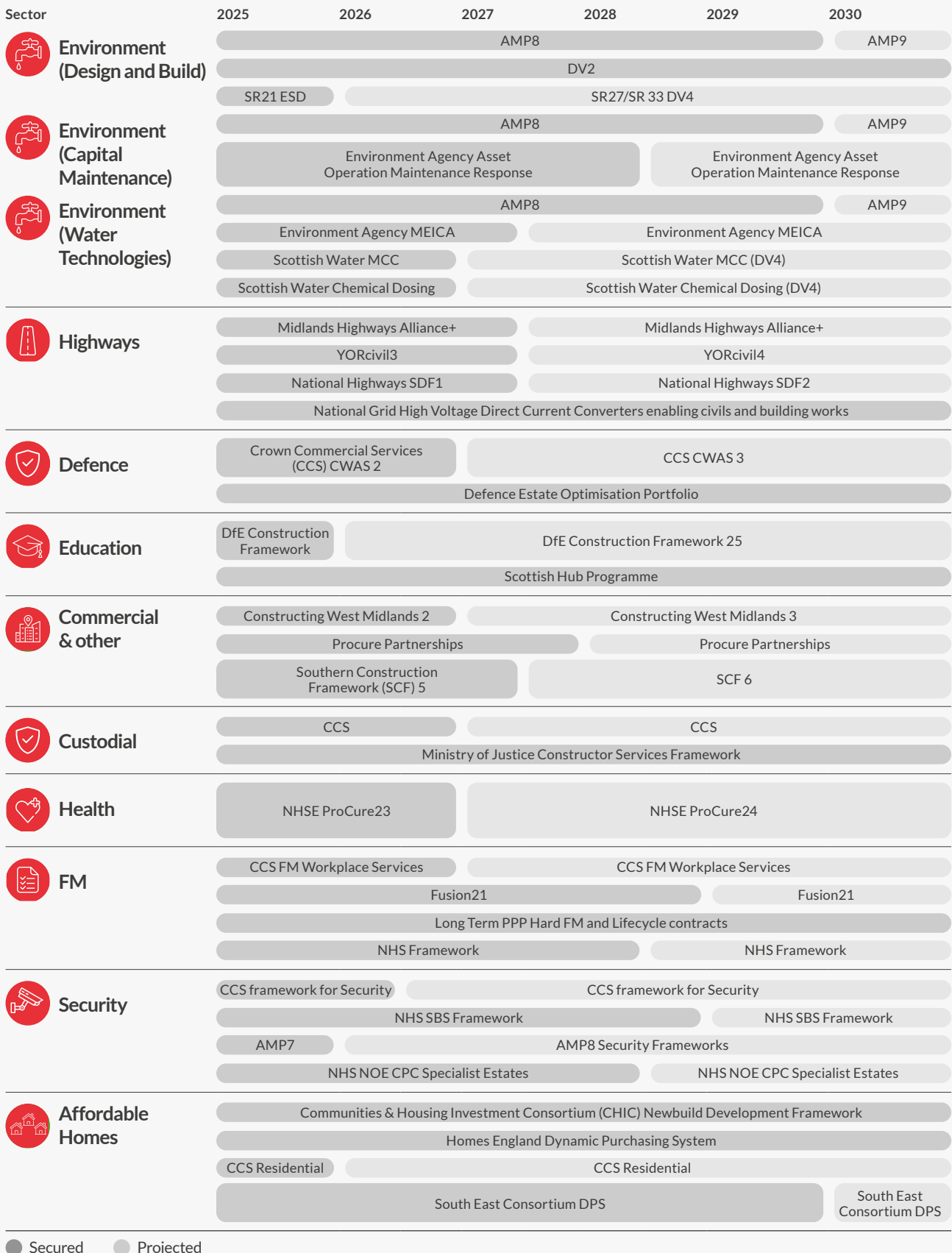
% of repeat business in our order book



% of full year planned revenue secured at the start of the financial year



Example of our framework visibility



Embracing new public procurement regulations and guidelines

During the period we have welcomed the introduction of the new Procurement Act aimed at streamlining and improving public sector delivery.

The Procurement Act came into effect on 24 February 2025, marking a significant overhaul of UK public procurement and replacing the EU Procurement Directives and the Public Contracts Regulations 2015. This was accompanied by publication of a revised National Procurement Policy Statement. The Act provides clarity on the procurement process and brings in several changes that align well with our existing approach and strengths. This provides opportunity for us to differentiate our offering and remain successful in our key public sector markets. Some of the most significant benefits include:

- The requirement for Contracting Authorities expecting to spend over £100m in the next financial year to publish a 'Pipeline Notice' for all contracts over £2m, which will help us anticipate upcoming opportunities and improve our pipeline planning.

- The change in the assessment of competitive tenders from 'most economically advantageous tender' to 'most advantageous tender', further embedding the principles of the Construction Playbook and the shift towards an efficient, sustainable and resilient industry.
- The Direct Award procedures in specific circumstances, such as repeat work, urgent requirements, defence and security, which present the opportunity for streamlining the procurement of projects and delivering value for money for the public purse.

Delivering quality

Delivering quality assured projects for our clients, right first time, every time, is key to developing long-term relationships, reducing our carbon footprint, securing repeat business with our clients and, therefore, our Sustainable Growth Strategy.

Our culture and behaviours underpin our approach, centred on learning and continuous improvement, coupled with the integration of digital technologies, systems and processes to enhance performance and drive efficiencies and provide confidence in the quality of the assets we construct.

Our Quality policy summarises the processes within our Business Management System and provides an overview of our approach to delivering right first time. Our quality processes are supported by using ViewPoint, Fieldview and other digital tools to ensure compliance and improved data to drive continuous improvement.

Looking forward

We will:

- Maintain and develop our presence on frameworks.
- Maintain ISO44001 Collaborative Relationship Standard accreditation, in support of our collaborative relationships with our clients and supply chain.



We are upgrading existing infrastructure and improving the overall water treatment process at Burstow Water Treatment Works, as part of one of the area's largest ever upgrade of sewers and sewage treatment works programmes focused on improving water quality and network resilience.



Supply Chain

Our objective is to align our supply chain with our culture and create collaborative relationships that deliver best practice, innovation and sustainable outcomes for clients, communities and the environment.

Key UN sustainable development goals



Performance in the year

Aligned subcontractors

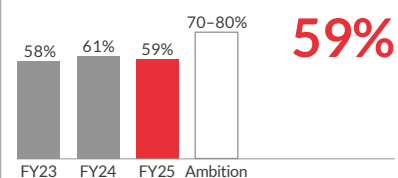
We continue to focus on developing collaborative, long-term relationships with our supply chain partners through our Advantage through Alignment (AtA) programme.

AtA is designed to align our supply chain with our culture and create relationships that deliver best practice, innovation and sustainable outcomes for clients, communities and the environment. It enables deep collaboration and supports Aligned subcontractors through training and education, by sharing our working practices, values and our vision, and by giving access to our behavioural safety programme, Challenging Beliefs, Affecting Behaviour, BIM training and Continuing Professional Development.

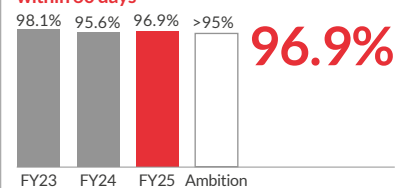
During the year we reviewed and made further enhancements to the AtA programme, including aligning it to our updated Sustainable Growth Strategy and setting out the focus areas over the strategy period 2025-2030.

Our core trades spend with Aligned subcontractors in the year was 59% (2024: 61%).

% of business units core trades spend with Aligned subcontractors



Prompt payment – % of invoices paid within 60 days



97%

of our invoices were paid within 60 days.

We regularly hold local supply chain conferences to recognise excellence and strengthen collaboration with delivery partners. These events promote shared goals in safety, sustainability, innovation, and performance improvement. They also support long-term partnerships through initiatives like Net Zero Partners and Advantage through Alignment.



Supplier payment

Maintaining the financial resilience of our supply chain is a key priority for us and we are therefore committed to paying our suppliers promptly. Our target is to pay 95% of supply chain invoices within 60 days. We continue to outperform this target, with 97% of invoices paid within 60 days in the year to 30 June 2025 (2024: 96%) and the average days to pay remains low at 26 days (2024: 26 days).

We were signatories to the Prompt Payment Code, which was replaced during the year by the Fair Payment Code. The Fair Payment Code has Gold, Silver and Bronze Award categories, underpinned by fair payment principles. We have achieved the Bronze Award, which is for companies that can demonstrate that they are paying at least 95% of all invoices within 60 days, and is therefore aligned with our existing target.

Other areas of focus

Common Assessment Standard

We have implemented a new supplier onboarding system which aligns to the Common Assessment Standard. Developed by Build UK, Civil Engineering Contractors Association (CECA) and other assessment bodies and industry experts, the Common Assessment Standard standardises the prequalification process, helping our subcontractors achieve compliance and mitigate risks across 13 key areas of risk management. To achieve certification, subcontractors only need to evidence their compliance in these areas once a year on the online portal.

Adopting this standardised approach:

- ➔ Helps us identify suitably qualified contractors using less time and resources.
- ➔ Aligns us with the UK Government's recommended standard for construction procurement in public sector procurement projects exceeding £5.337m.
- ➔ Simplifies the tendering process for more suppliers and encourages them to apply for more projects.
- ➔ Gives us more time to focus on the project-specific areas of the pre-qualification process.

Supplier performance monitoring

In conjunction with the enhancements to our AtA programme, we have developed a more structured supplier performance monitoring framework, to drive greater consistency across the Group and provide better insights on supply chain performance. The framework sets out the minimum standards of performance monitoring across the project lifecycle, from the tender stage through to completion and lessons learned. The insights gained will be used to influence which suppliers we work with on future projects and therefore incentivises both parties to work together effectively. The process is supported by an online platform that provides full transparency, automation and control of performance across our supply chain.

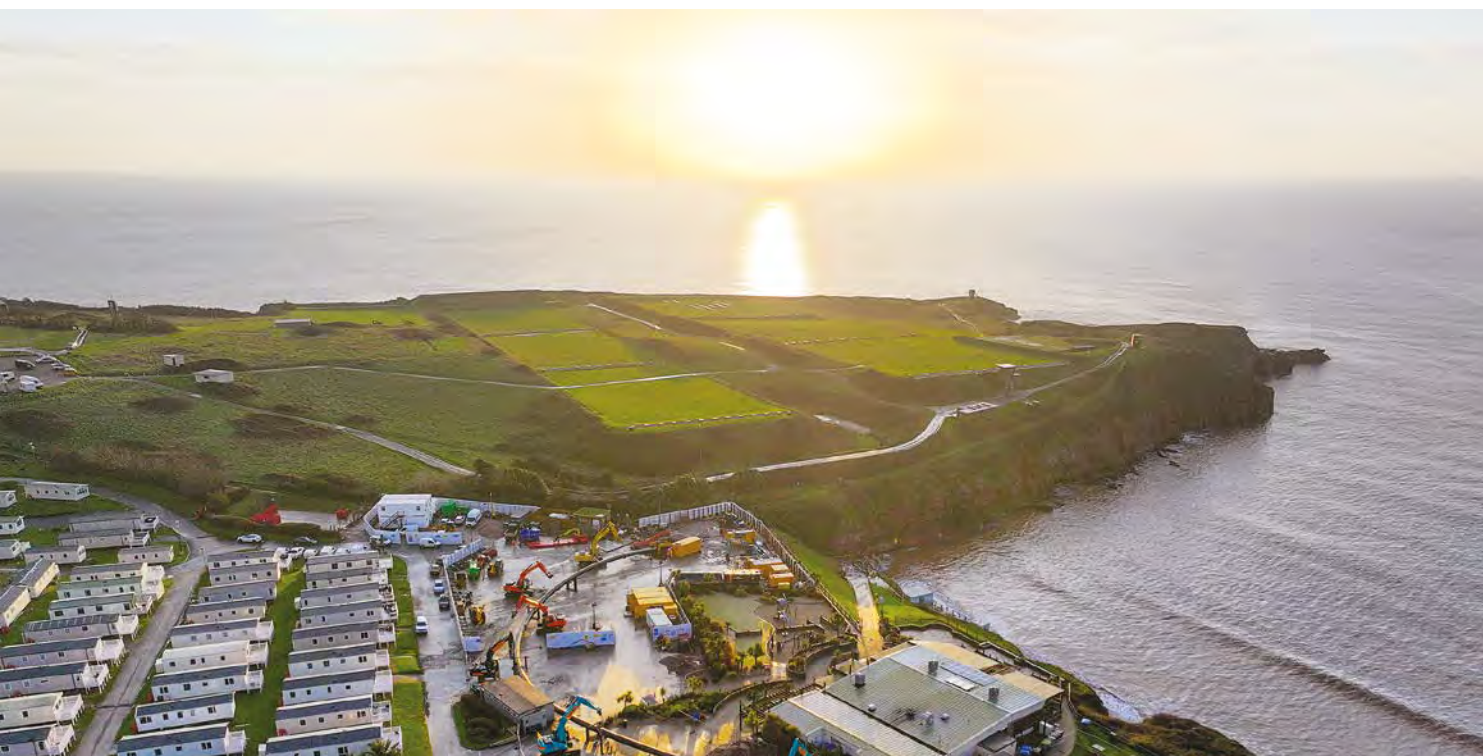
Supply Chain Sustainability School

The Group is a partner to the Supply Chain Sustainability School, which is a leading online resource for businesses within the built environment supply chain, aiming to upskill the workforce and improve the understanding of best practice in sustainability. We have been recognised for our ongoing support, winning the Partner award for Supply Chain Engagement. During the year, our suppliers completed 3,765 of the school's e-learning modules and accessed its online learning resources over 34,000 times. In addition, our Group Supply Chain and Procurement Director is a Board member of the Supply Chain Sustainability School.

Looking forward

We will:

- ➔ Leverage our Oracle Enterprise Resource Planning platform to enhance the efficiency and effectiveness of our procurement processes, for example by developing punch out catalogues that link to suppliers' e-commerce platforms and therefore enhance the effectiveness and efficiency of our procurement processes.
- ➔ Enhance the resilience of our supply chain partners, by promoting and supporting the take up of cyber essentials accreditation.
- ➔ Develop our supply chain in the residential sector, to support the growth of our affordable homes business.



Case study

Exmouth Outfall project for South West Water

The Exmouth Outfall project, delivered for South West Water (SWW), represents a remarkable feat of innovative engineering and supply chain collaboration. The project involved the installation of a 900mm diameter gravity long sea outfall, spanning 804m at Sandy Bay Devon Cliff Holiday Park, one of the UK's busiest caravan sites, with over 2,200 units and 10,000 weekly visitors, close to a Blue Flag beach.

Working with P McCormack & Sons, a Horizontal Directional Drilling (HDD) specialist, we spearheaded the technically demanding task of extending the sea outfall 816m offshore, a noteworthy achievement in land-to-sea drilling.

Some of the key benefits delivered through our collaboration included:

- ➔ Minimising risks by reducing reliance on marine resources through forward reaming from land (pushing the pipe from land) – an innovative, yet highly effective approach for a project of this magnitude.
- ➔ Seamless progress of the project, with meticulous attention given to safety measures, public access considerations, and environmental protection.
- ➔ 100% recycling of drilling fluids using a centrifuge system, significantly reducing water use, lorry movements (mitigating 575 movements, saving 142T eCO₂), and environmental impact.
- ➔ Deployment of flood barriers to contain drilling fluids and meticulous monitoring to prevent any environmental incidents.
- ➔ The use of local supply chains wherever possible supported the local economy and reduced logistical emissions, demonstrating commitment to creating social value in the community.

Beyond the operational, economic and environmental benefits, the project fostered knowledge-sharing among the supply chain, strengthening expertise and resilience within the industry.

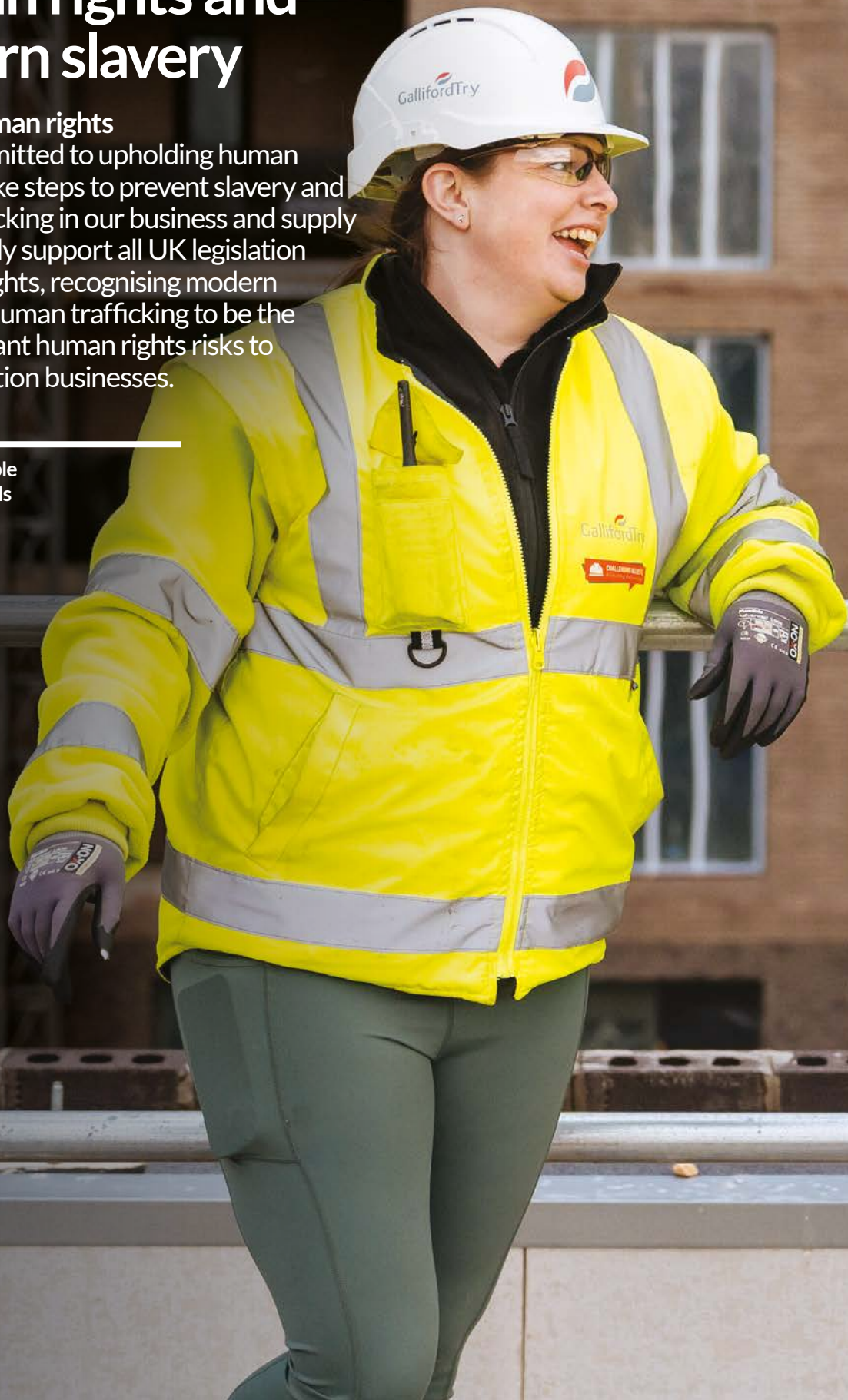


Human rights and modern slavery

Ensuring human rights

We are committed to upholding human rights and take steps to prevent slavery and human trafficking in our business and supply chain. We fully support all UK legislation for human rights, recognising modern slavery and human trafficking to be the most significant human rights risks to UK construction businesses.

Key UN sustainable development goals





Action and performance

Since the Modern Slavery Act came into force, we have run awareness campaigns comprising posters, videos and other educational material, aimed at helping people to recognise the typical signs of modern slavery.

We ask our suppliers of equipment and materials to consider the risk of modern slavery and to ensure that there is no slavery or trafficking in their supply chain.

Our independent and confidential whistleblowing procedure encourages employees and third parties to raise any potential concerns.

During the year, we established a Modern Slavery Working Group to identify and oversee further action we can take to minimise the risk of forced labour and modern slavery within our operations and supply chain. Our actions in the year include reviewing our Modern Slavery statement and performing audits of our preferred supplier labour agencies.

Anti-bribery and corruption

Policy and management

On joining, and every three years, all employees must complete an online course regarding the Bribery Act.

Twice a year, every Business Unit managing director and head of support function is required to sign a declaration that their respective teams are aware of the policy and the Code of Conduct, comply with their contents, and that any issues have been reported.



Financial review

Significant opportunity for further growth



My first year with the Group has confirmed that the strategy that the business has put in place, is the right one; focusing on risk and quality, delivered through excellent people, leading to growing financial returns, and underpinned by a strong balance sheet. Galliford Try has delivered 10 half periods of growth and there remains a significant opportunity for further shareholder value through improved returns and capital allocation and returns.

Kris Hampson
Chief Financial Officer

Revenue

Revenue grew for the fifth consecutive year, increasing by 6.3% from £1,763.7m in the last financial year to £1,875.2m, reflecting growth in both Building and Infrastructure.

Building recorded revenue of £964.7m (2024: £938.3m) up by 2.8%, driven by strong project delivery across all our core markets including the completion of the 329-home Park Square Private Rented Sector (PRS) scheme; Catherine Infant School, the first Net Zero Carbon in Operation school in Leicestershire and the 127 Charing Cross Road mixed-use project.

Infrastructure revenue made very strong progress, with the continuation of the strong run off of AMP7 deliveries in the second half alongside early design revenues on AMP8 in Environment, and increasing activity from our Highways business as several key projects started in earnest on site. Revenue was up 11.3% from £810.7m to £902.5m.

Investments' revenue was £8.0m (2024: £14.7m). The previous period included financial close fees related to the division's first Private Rented Sector (PRS) scheme, in Cardiff, as well as the ongoing project management fees associated with the construction of the scheme itself.

Revenue growth over the last two years has totalled more than 33% with a CAGR of circa 14% since 2021, the strength of this growth aligned with the well trailed transition from AMP7 to AMP8 in 2026, means we expect softer revenue growth in the current year before increasing towards our 2030 targets from 2027 as supported by our record £4.1bn diversified, and prudently assessed order book, which has increased by circa 8% year on year.

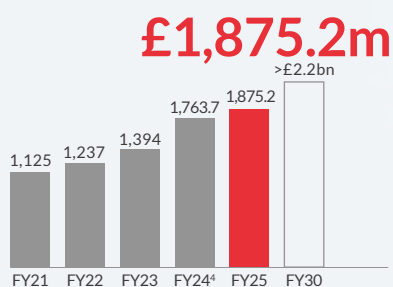
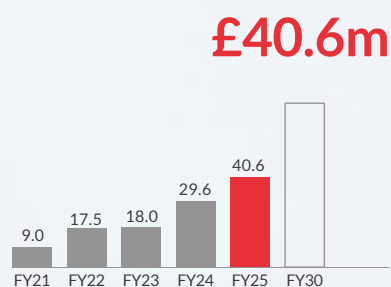
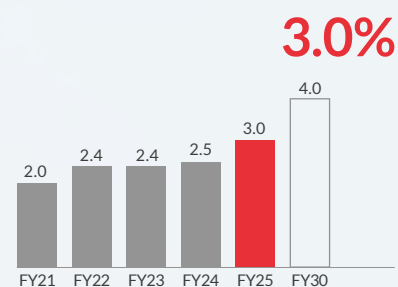
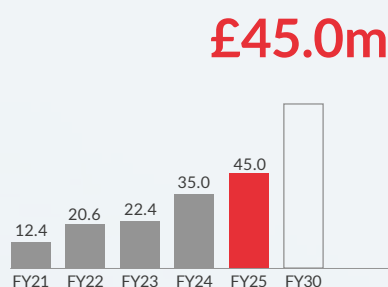
A non-cash prior year restatement has been recorded following a correction to the Group's application of IFRS15 contract combination accounting, and, having made the correction, management have reconsidered the treatment of previously-combined material losses on one framework and restated c.£11.7m as an exceptional item.

Under its existing IFRS15 accounting policy, the Group had incorrectly combined contracts on a small percentage of framework agreements and as a result, the Group has restated its financial statements, reducing revenue and increasing cost of sales in 2024 with an aggregate impact to reported profit before tax of £11.7m with associated tax and working capital corrections. Full details of the restatement can be found in note 34. As a result of identifying the error, management have reconsidered the treatment of material losses on specific batches of contracts under one framework agreement, acquired in the nmcn water division acquisition in 2022, with £11.7m presented as an exceptional item in the 2024 final results.

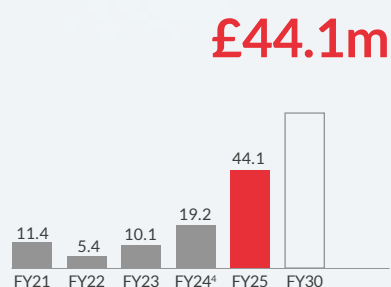
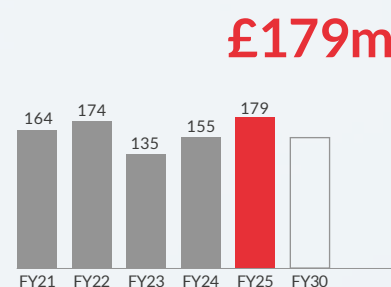


Financial performance

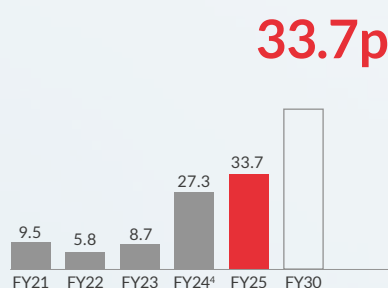
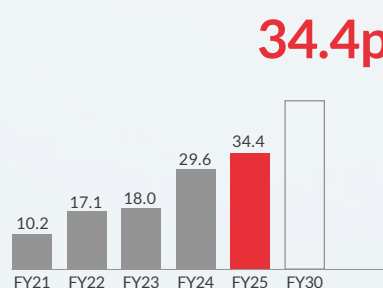
Revenue

Adjusted operating profit^{1,2}Divisional adjusted operating margin^{1,2}Adjusted profit before tax^{1,2}

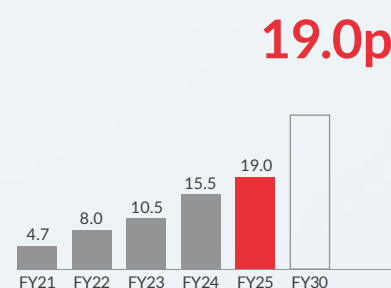
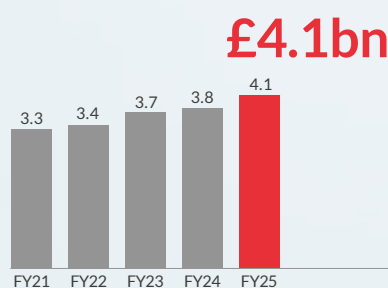
Profit before tax

Average month-end cash³

Earnings per share

Adjusted earnings^{1,2} per share

Full year dividend per share

Order book²

2030 strategic growth targets (indicative).

1 See note 32 for a reconciliation of statutory numbers to Adjusted Performance Measures.

2 Adjusted items or non statutory measures.

3 Average month-end cash is a non-statutory measure the Group refers to, being the average month-end cash balance over the financial year. The cash balance used each month is the statutory cash and cash equivalents balance.

4 Restated, see note 34.

Financial review continued

No restatements were made to adjusted profit before tax in 2024 or to the balance sheet at 1 July 2023 and no exceptional losses have been reported in 2025.

The nmcn frameworks and associated subsidiaries were acquired out of administration for £1m in October 2021. Since the integration of nmcn, revenues of more than £750m have been delivered, and given its strong market positioning and long-term water contract relationships, the Group is forecasting further revenues of more than £1.5bn on the acquired nmcn businesses through the strategy period to 2030. Margins are in line with target trajectory, and the business is performing ahead of the pre-acquisition investment case.

Adjusted Performance Measures (APMs)

Pre-exceptional measures are now referred to as 'adjusted'. The definitions of adjusted operating profit, adjusted PBT and adjusted EPS have been changed during the year to exclude amortisation of acquired intangible assets, to better reflect the business's underlying and ongoing performance (see note 32). These changes are in line with standard practice across the sector.

Adjusted operating profit

Adjusted operating profit increased by 37.2% to £40.6m (2024: £29.6m). The combined divisional adjusted operating margin was up 42 basis points at 3.0% (2024: 2.5%), delivering our previously communicated target one year early, with improvement in both Building and Infrastructure.

Of this, Building generated an adjusted operating profit of £28.1m, (2024: £24.0m), representing an adjusted operating margin of 2.9% (2024: 2.6%) up 36 basis points, and Infrastructure generated adjusted operating profit of £27.4m (2024: £20.1m), representing an adjusted operating margin up 50 basis points to 3.0% (2024: 2.5%). Investments losses reduced to £0.4m and central overheads were £14.5m rising in line with Revenue and driven by inflation and incentive costs versus the prior year. Further details of divisional performance are set out in the Operating review.

Adjusted profit before tax was £45.0m, up 28.6% (2024: £35.0m) driven by our robust risk management model and on-time delivery of high-quality construction schemes. Having delivered our 2026 divisional adjusted operating margin target one year early, and with our proven model working well, we are confident in delivering another year of margin expansion and increased profitability in 2026, in line with the required trajectory to get to our 2030 targets.

Tax

The statutory taxation charge of £10.5m reflects an effective tax rate of 23.9% for the year to 30 June 2025, after allowing for prior year tax adjustments, which compares to the standard effective tax rate of 25.0%.

We have a constructive and open relationship with HMRC and look to comply with both the letter and spirit of relevant regulations and to pay our fair share of tax. Our tax strategy is available on our website at <https://www.gallifordtry.co.uk/investors/governance-policies/>.

Net interest income

The Group generated net interest of £4.4m (2024: £6.2m) reflecting non repeat of prior year exceptional corporate tax interest and one-time RCF implementation costs.

Earnings and dividends per share

The statutory earnings per share in 2025 were 33.7p (2024 restated: 27.3p). We recorded adjusted earnings per share for the year of 34.4p, up 16.2% (2024: 29.6p).

The plc Board has proposed a final dividend of 13.5p per share (2024: 11.5p), bringing the total dividend for the financial year to 19.0p per share (2024: 15.5p), up by 22.6%. The full year dividend in 2025 is covered 1.8 times (2024: 1.8 times) by adjusted earnings.

At 30 June 2025, the Company had distributable reserves of £113.5m (2024: £110.4m).

Financial position

Our strategy is focused on continued revenue and margin improvement, and our capital requirements remain low, with strong operational cash generation.

All parts of the Group have potential, with growth biased towards higher-margin adjacent markets and specialist businesses, and while we have a proven track record of successfully identifying, acquiring and integrating companies, our new targets do not assume any further acquisitions. However, our capital allocation framework allows further investment should opportunities arise, in line with our strategic priorities.

Cash and working capital

The Group is well capitalised, maintaining its focus on disciplined cash management in line with our key capital allocation objectives. The Group operates with daily net cash, no drawn bank debt facilities, and no defined benefit pension liabilities. The average month-end cash for the rolling 12 months ended 30 June 2025 was £178.7m (year to 30 June 2024: £154.8m) and period-end cash at 30 June 2025 was £237.6m (30 June 2024: £227.0m). This demonstrates continued robust cash management throughout the year.

During the second half of the year, the Group received a request from HMRC to advance its VAT payments reverting to a historic payment pattern. The change in payment profile has no impact on the amount of VAT liability being settled, but has resulted in cash flows being pulled forwards, thereby reducing month end cash balances. In our statutory cashflow, circa £17m of cash payments were made in 2025, that would otherwise have been paid in 2026, which lowered the average cash metric in 2025 by circa £8m. The expected impact on the average cash position in 2026 will be a further reduction of circa £18m, and 2025 rebased would have been £161m had the phasing change occurred before the start of the financial year.

We additionally established a Revolving Credit Facility to provide greater agility and resilience to our business, as described on page 81. We are pleased to have received such positive support from three providers, which alongside an already strong balance sheet, provides an excellent platform to take advantage of future growth opportunities. The facility comprises £25m for a term of three years, options to extend for two years and an accordion option of a further £10m. It is unsecured and provided by leading clearing banks. We have not drawn from the facility during the year.

At 30 June 2025, net working capital employed was £269.1m (30 June 2024 restated: £286.3m). Total equity at the year end was £122.1m (2024 restated: £113.6m.)

The Group has recognised a material provision in respect of the estimated future costs that will be incurred during a defects liability period on a specific contract. The provision has been estimated at £13.1m (2024: £14.6m) with a reasonable range of outcomes between £7.3m and £19.2m. The Group has engaged with experts to support the basis and range of calculations. Given the range of reasonably possible outcomes and the judgement involved in determining whether a provision should be recognised, it is considered to be a critical accounting estimate and judgement. Further details are provided in note 1 and note 20 to the financial statements.

We continue to be proud of our collaborative and open approach with all our supply chain. We are a Bronze member of the new Fair Payment Code, with 97% of invoices paid within 60 days and average days to pay invoices of 26 days (2024: 26 days).

Strong operational cash leverage and tight working capital management supported capital allocation in the form of circa £27.5m (2024: circa £29.0m) of cash returns to shareholders in the period via share buybacks and dividends.

Investments

At 30 June 2025, the Group directors' valuation of our PPP portfolio was £38.6m (2024: £41.8m), reflecting a blended 7.9% discount rate (2024: 7.6%). These assets contribute to our balance sheet strength and generated interest income in the period of £3.6m (2024: £3.8m).

Capital allocation and dividends

We are committed to maintaining a strong balance sheet, which provides the Group with competitive advantage in its market, supports our growth strategy, and provides confidence to our clients and supply chain. Our capital allocation priorities remain unchanged, as set out overleaf.

Strong balance sheet to support operations

The current outlook across our markets is encouraging and supports our strategy. However, we also ensure that we are prepared for any adverse change in market conditions that may arise. Our strong balance sheet is particularly important for the Group to continue to operate its disciplined approach to contract selection and focus on operating margin, irrespective of any short-term economic concerns. The management of past inflationary pressures demonstrates the value and importance of the Group's risk management framework and focus.

Invest in the business

Our strong cash balance enables the Group to react quickly to strategic opportunities, including bolt-on acquisitions that enhance our capabilities and increase value, and to continue to invest in enablers of growth such as digital capabilities. Allocating capital to assist the development of our adjacent markets, was demonstrated by our acquisition of AVRS Systems in November 2023, and the acquisitions of nmcn's water businesses, and Ham Baker and MCS Control Systems in previous years, bringing in c£124m more revenue annualised at the time of acquisition.

Paying sustainable dividends to shareholders

We understand the importance of paying dividends to shareholders and in setting dividend policy, we consider the Group's profitability, balance sheet, order book and longer-term prospects. Consistent with this approach, the Group expects dividend per share to increase in line with earnings as the business grows.

The plc Board's confidence in the outlook led to an improved dividend policy, announced in September 2023, of earnings covering the dividend by 1.8 times. Alongside dividend growth from our operational performance, this improvement reflects the low-risk nature of the PPP asset portfolio and its annuity interest income and provides a sustainable increase in dividends to shareholders while retaining capital to invest in growing the business.

Returning excess cash

We assess the cash requirements of the business to ensure the Group remains well positioned to deliver on its strategy and has sufficient funds to invest in the business.

On 21 May 2025, we completed our second share buyback programme, announced on 3 October 2024. Under this share buyback programme, a total of 2,690,861 ordinary shares of 50 pence each were repurchased, and subsequently cancelled, at an average price of approximately £3.72 per ordinary share, and a total cost of £10m.

On 17 September 2025, we announced a further share buyback of up to £10m, in line with our policy to return excess cash to shareholders, and in response to the strong cash performance in 2025, our record order book and our confidence in the future.

Contingent liabilities

The directors ensure that contingent liabilities are appropriately assessed, documented and monitored.

More information can be found in note 28.

Internal control framework

We are monitoring and reviewing the implementation of changes required under the UK Corporate Governance Code, in particular to Provision 29, the risk management and internal control framework. While we meet many of its principles already, we have set a path to ensuring we have full compliance with the new requirements by 1 January 2026 (page 101).

Going concern and Viability Statement

Our going concern statement, together with further related information, can be found in the Directors' report on page 123. Our Viability Statement can be found on page 75.

Critical accounting policies and assumptions

Our principal accounting policies are set out in note 1 to the financial statements, together with a description of the key estimates and judgements affecting the application of those policies and amounts reported in the financial statements.

We use adjusted financial performance indicators to monitor our performance, alongside standard measures, which are designed to be useful to investors by providing a balanced view of our operations. An explanation of these measures and reconciliations to the corresponding statutory measures are included in note 32.



Kris Hampson
Chief Financial Officer

New homes for Milton Keynes

In June 2025, we completed the Park Square Private Rented Sector scheme, delivering 329 residential apartments on the site of a former garden centre in the centre of Milton Keynes.

The development comprises four residential buildings, ranging in height from three, seven, nine and 11 storeys, along with extensive amenities offered for tenants including an underground parking facility, and a central courtyard. Each apartment is equipped with smart meters, with sustainable features, including solar photovoltaic power and EV charging stations.

The complex development incorporated various Modern Methods of Construction to streamline construction and improve site safety.



Operating review

A strong performance

Building

	2025	2024
Revenue (£m)	964.7	938.3
Adjusted operating profit (£m) ¹	28.1	24.0
Adjusted operating profit margin (%) ¹	2.9	2.6
Order book (£m)	2,454	2,294

¹ See note 32 for a reconciliation of statutory numbers to Adjusted Performance Measures.

Revenue continues to grow in line with the expectations of our Sustainable Growth Strategy as public sector procurement remains positive following the Spending Review, with a particular strong outlook for our business in the defence and custodial sectors.

Building won contracts and positions on frameworks worth £1,125m, (2024: £989m). This included places on the new £835m NHS North of England Commercial Procurement Collaborative framework; the FM business being appointed to the £835m NHS North of England Commercial Procurement Collaborative (NOE CPC) Specialist Estates Engineering & Maintenance Services (Hard FM) Framework; the Pagabo £814m Total Facilities Management Framework; £44.5m in fire safety improvement projects for the MOJ at HMP Wakefield and £56m at HMP Moorland; the second phase of the major Dolphin Square regeneration scheme; the £63m single living accommodation scheme at RAF Digby; and £87m for two commercial schemes in Central London.



Woodham Academy in County Durham is a new build secondary school funded through the Department for Education's School Rebuilding Programme. The school minimises carbon use through air source heat pumps, solar panels, EV charging stations, a biodiverse green roof, and several other features that will also reduce running costs. A digital twin is enhancing long-term building performance by enabling the monitoring of systems in real-time.

Infrastructure

	2025	2024
Revenue – restated note 34 (£m)	902.5	810.7
Adjusted operating profit (£m) ¹	27.4	20.1
Adjusted operating profit margin (%) ¹	3.0	2.5
Order book (£m)	1,688	1,546

1 See note 32 for a reconciliation of statutory numbers to Adjusted Performance Measures.

Infrastructure generated an adjusted operating profit of £27.4m (2024: £20.1m), which represents a margin of 3.0% (2024: 2.5%).

Infrastructure won contracts and positions on frameworks worth £1,045m (2024: £889m). We benefited from continued strong delivery on AMP7 Environment frameworks and we had successful appointments to the new AMP8 cycle for the Environment business, including places on frameworks for Wessex Water and Yorkshire Water. We are working with all 13 of the UK's main water and waterway companies, on average working with each client for 18 consecutive years.

The Highways business had framework success of its own, with its appointment to the North East Procurement Organisation (NEPO) Civil Engineering & Infrastructure framework, as well as contracts for the £66.5m Banwell Bypass, and the £88.9m South Aylesbury Link Road.

The Environment business underwent a restructure, with capital maintenance teams joining the Water Technologies business stream to form a new Asset Maintenance business, better equipped to leverage opportunities in this key market and secure growth within water and adjacent sectors.



Our £85m project at Melton Mowbray will create a new route that will reduce traffic, improve air quality and provide greater access to employment and economic growth.

Investments

Performance

	2025	2024
Revenue (£m)	8.0	14.7
Operating loss (£m)	(0.4)	(1.0)
Net interest income (£m)	3.5	3.8
Directors' valuation (£m)	38.6	41.8

Investments has continued to move its focus towards co-development of Private Rented Sector (PRS) projects.

Revenue was £8.0m (2024: £14.7m) with an operating loss of £0.4m (2024: £1.0m loss). This includes the recognition of initial development fees related to the financial close of the PRS scheme referred to on page 50, as well as the ongoing project management fees associated with the construction of the scheme itself.

At 30 June 2025, the Group directors' valuation of our PPP portfolio was £38.6m (2024: £41.8m), reflecting a blended 7.9% discount rate (2024: 7.6%). These assets contribute to our balance sheet strength and generated interest income in the period of £3.6m (2024: £3.8m).



Strategy in action

A high-quality Group order book

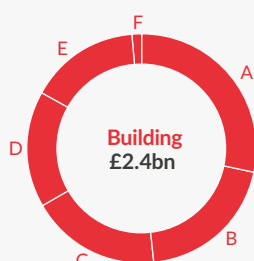
Our order book underpins our plans and gives us excellent medium-term visibility of pipeline, meaning that no part of the business needs to take on levels of risk that fall outside our appetite.

What makes our order book high-quality?

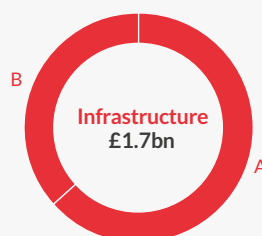
- ➔ Our focus on core sectors increases our understanding of contract risk, our ability to put appropriate mitigations in place, and our ability to successfully deliver quality projects.
 - ➔ We actively target and maintain places on public sector frameworks in the UK, as they help mitigate risk by enabling us to work within established terms and conditions and provide consistent pipelines of work.
- ➔ At 30 June 2025, 90% of our order book was in frameworks (2024: 86%).
 - ➔ At 30 June 2025, 93% of our order book was in the public and regulated sectors (2024: 91%), and 7% in the private sector (2024: 9%) with carefully selected blue-chip clients.
 - ➔ High visibility of the following year's revenue gives us further confidence to bid with the appropriate discipline and selectivity.

Strong visibility of workload

Order book by sector



		£m
A	Defence	701
B	Custodial	490
C	Education	446
D	Commercial & other	403
E	Facilities Management	382
F	Health	32



		£m
A	Environment	1,071
B	Highways	617

92%

of planned revenue FY26 secured (2024: 92%).

75%

of planned revenue FY27 secured (2024: 70%).



Effective risk management

Our ability to identify, assess and manage risks and uncertainties is one of the key enablers for delivering our Sustainable Growth Strategy.

It is vital that we understand the potential risks associated with every project opportunity and ensure that we only bid for projects that align to our risk appetite and our ability to manage the risks. Our embedded culture of risk awareness enables us to identify and manage the risks associated with operating in a dynamic external environment. It also helps us identify and monitor the development of emerging risks, including the potential impact of climate

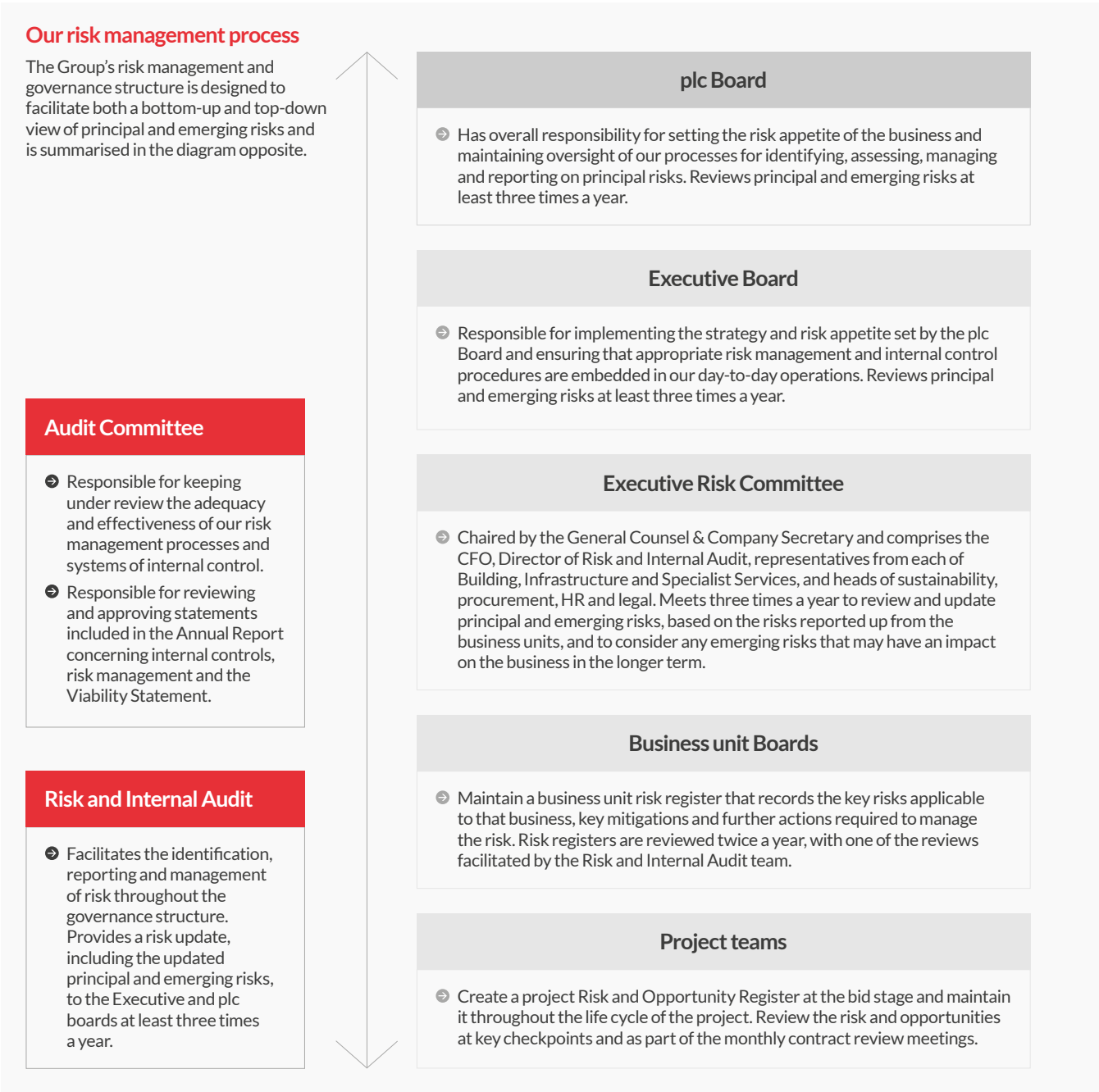
change – both the physical risks and the risks associated with the transition to a low-carbon economy (see pages 63 to 74).

Our approach to managing risk is structured, pragmatic and targeted, with key risk mitigation measures embedded into management processes and activities. These include:

- A Business Management System with processes and procedures designed to give us control and confidence in commercial decisions.
- Project-level controls and management oversight of project forecasts.

- Monthly cross-disciplinary contract review meetings on all projects.
- Standardised formats for monitoring and reporting project performance and forecasts.
- Comprehensive commercial training.
- A programme of commercial ‘health checks’ to provide an independent assessment of the project team’s reported project performance and forecast outturn.

These activities are supported by a governance structure that provides oversight of key risks from the plc Board through to individual projects.



Principal risks

At a Group level, the plc Board monitors risk using the following four principal risks, a detailed analysis of which is provided below:

- ➔ Work winning.
- ➔ Project delivery.
- ➔ Resources.
- ➔ Regulatory compliance.

This approach facilitates a targeted focus on the most significant risks and the actions being taken to manage them.

At business unit level, our risk management process captures and monitors risks and mitigations using more detailed risk themes. These are aligned to the four principal risks so that we can take more targeted actions to address issues that are specific to the regions and sectors in which they operate.

1 Work winning

Risk description

We fail to secure an appropriate pipeline of projects to achieve our revenue and profitability targets.

Key risk indicators

- ➔ Percentage of planned revenue secured.
- ➔ Percentage of order book in frameworks.
- ➔ Order book by client type.
- ➔ Percentage of repeat business.

Link to our strategic priorities

-  Quality and innovation.
-  Sustainable financial returns.

Risk appetite

We aim to secure a forward order book that provides a high degree of certainty of current year and following year revenue, while reflecting appropriate margin, cash and risk attributes.

Maintaining discipline in the projects that we take on is a fundamental element of our internal control framework. We will only accept projects where we are confident that we have the experience, knowledge and supply chain to deliver effectively and where the client relationships and commercial terms support a collaborative approach to managing risk.

Potential causes of risk

- ➔ A significant and sustained reduction in Government investment in building and infrastructure projects reduces the opportunity pipeline.
- ➔ Increased costs make some schemes economically unviable, leading to delays or cancellation of projects.
- ➔ Delays to and/or reduced levels of private sector investment, due to macroeconomic conditions.
- ➔ Failure to secure positions on key procurement frameworks.
- ➔ Failure to develop a competitive low-carbon construction capability.
- ➔ Poor-quality bid submissions.
- ➔ Failure to maintain discipline in project selection.
- ➔ Insufficient resources to support bid preparation.

Current risk environment

- ➔ Pipeline in our chosen markets remains strong, supported by Government policy on infrastructure spending and growing demand in the water sector.
- ➔ Our growth into affordable homes presents an opportunity to grow margins in the Building business, without taking additional excessive risk. These projects will undergo the same diligent assessment as all other prospective projects.
- ➔ Falling interest rates and longer-term forecast inflation reductions to near the Bank of England target are giving clients and funders greater cost visibility, reducing the delays we have experienced in moving from preferred bidder to agreeing contract values, and ultimately project starts.
- ➔ The long-term transition to low-carbon buildings and infrastructure is creating market opportunity, including net zero new builds and energy-efficient refurbishments and retrofits.
- ➔ The Building Safety Act introduces additional regulatory requirements which increase compliance risk and planning timelines which may deter some private sector developers and investors. However, in the longer term, it will help to create demand from building owners who need to comply with regulation. Also, the Government's recent Spending Review means we expect more suitable opportunities to come to market, particularly in affordable housing, helping us to grow into this adjacent sector.

Emerging risks

- ➔ We innovate or adopt new technologies too early, incurring costs associated with being an early adopter, or too late, losing market share.
- ➔ Client attitudes to sustainability shift at differing rates, leaving some clients focused on construction cost and others on whole-life cost and carbon performance.
- ➔ Changes to planning policy and regulations to deliver the UK's net zero ambition limit our clients' ability to pursue new build construction schemes.

Mitigations

- ➔ We manage the potential impact of an economic downturn by building a high-quality order book with projects that meet our strict risk profile. We concentrate on sectors where we have core strengths and clients with long-term growth and profitability potential.
- ➔ We focus on securing positions on key procurement frameworks and repeat business with key clients through a centralised, dedicated pre-construction team. This allows for strategic planning, better collaboration and reduced risk of project failure.
- ➔ Each time we bid for a contract, we follow our internal "heat map" process, identifying risks across a range of criteria including the client and its advisors, project location and our local supply chain, our technical experience, our internal resources and capacity, the procurement method, contractual terms and conditions, and price.
- ➔ All contracts over £25m in value, or which have a heightened risk indicator on any other measure, are reviewed by the Executive Board prior to approval to bid. We typically target lower-risk contract types.
- ➔ We carry out peer reviews of bids where relevant, to ensure robust review and challenge of risks and assumptions and to promote knowledge sharing across the business.
- ➔ Adjacent markets strategy, including PRS and the acquisitions in our Environment business, expand our target markets in a risk-managed way.

Principal risks

2 Project delivery

Risk description

We fail to deliver projects safely, on time, in agreement with contractual terms, or to a high quality for our clients.

Key risk indicators

- ➔ RIDDOR and AFR scores (see page 25).
- ➔ Safety Lead Indicators (eg Director Safety Tours, Safe Behaviour Discussions).
- ➔ Forecast project margins.

Link to our strategic priorities

-  People-orientated, progressive culture.
-  Socially and environmentally responsible delivery.
-  Quality and innovation.
-  Sustainable financial returns.

Risk appetite

We prioritise health and safety above everything else and believe that nothing is so important that we cannot take the time to do it safely. We will not tolerate poor quality and strive to deliver high-quality buildings and infrastructure for our clients, which offer safe environments for the occupiers and users of the assets. We aim to provide realistic and transparent forecasts of project performance, with potential risks to programme and margins identified and addressed before they materialise.

Potential causes of risk

- ➔ Changing regulations.
- ➔ Non-compliance with health and safety regulations and/or poor safety behaviours.
- ➔ Programme delays and cost escalation.
- ➔ Poor control of client and subcontractor variations and claims processes.
- ➔ Contractual notices not given as per contract requirements.
- ➔ Poor record-keeping and document management.
- ➔ Poor design quality and/or co-ordination.
- ➔ Acquired businesses fail to deliver expected benefits.
- ➔ Business units operate outside of acceptable risk tolerances.
- ➔ Failure to comply with quality control procedures.
- ➔ Extended periods of adverse weather.
- ➔ Poor subcontractor performance and/or insolvency.
- ➔ Unrealistic estimates, including cost to complete, inflation estimates, outcomes of disputes and final value included in project forecasts.
- ➔ Material unavailability and extended lead times.
- ➔ Interest rate rises causing investment and cashflow issues within the supply chain.
- ➔ Failure to manage the adoption of new low-carbon materials and technology.

Current risk environment

- ➔ Health and safety remains our first priority and our Lead Indicators approach is now established in the business.
- ➔ Staff shortages and cost of living pressures increase the sense of workers feeling stretched, which could impact on safety and wellbeing.
- ➔ High levels of recruitment to support strategic growth plans require a greater focus on employee onboarding and training.
- ➔ Although we have experienced periods of extreme heat and intense rainfall, they have not resulted in a significant or widespread impact on our operations.
- ➔ Additional quality checks implemented to comply with the Building Safety Act are becoming more efficient, with more accurate and reliable allowances made in construction programmes and project teams implementing and sharing learnings from each review.
- ➔ Our acquisition strategy is being further refined, to define how potential acquisitions will be assessed, completed and integrated.

Emerging risks

- ➔ We fail to adapt our processes to meet clients' requirements to have better and more reliable data about the assets we design and build for them.
- ➔ Future global pandemics, or other supply-side shocks, have a significant impact on the construction industry.
- ➔ Building designs and construction methodologies fail to adapt to the physical effects of climate change, including more regular and more extreme weather events, leading to reduced productivity, programme delays and cost overruns.
- ➔ Materials availability will become more challenging when demand from the housebuilding sector increases.

Mitigations

- ➔ We continue to reinforce our behavioural safety programme Challenging Beliefs, Affecting Behaviours, and use Lead Indicators which target no harm.
- ➔ We take a values-driven approach to project delivery, focusing on close collaboration and client satisfaction to achieve end goals for both parties.
- ➔ We undertake robust review and approval of contractual terms, pre-contract, to ensure we do not sign up to contracts with onerous terms.
- ➔ This includes the employment of margin thresholds and escalation to the Executive Board of any contracts that do not meet our criteria.
- ➔ We apply rigorous quality control in our BMS policies and procedures and adopt digitalisation to improve data, quality and efficiency.
- ➔ We maintain and adhere to relevant operational accreditations, including ISO45001 and ISO14001.
- ➔ We carry out due diligence to select competent designers and subcontractors and use specialist consultants at key review stages.
- ➔ We provide comprehensive commercial training.
- ➔ We have standardised formats for monitoring and reporting project performance and forecasts.
- ➔ We undertake monthly cross-disciplinary contract review meetings on all projects, to enable a robust assessment of programme status, risks and commercial forecasts.
- ➔ We have upgraded our ERP systems.
- ➔ We carry out a programme of commercial 'health checks' to provide an independent assessment of the project team's reported project performance and forecast outcome.
- ➔ Operational controls, including health and safety site risk assessments, are monitored through a regular audit process.
- ➔ Our Technical and Business Support Forums drive process improvements across health and safety, digitalisation, carbon reduction, procurement, design management, mechanical and electrical, and commercial activities.
- ➔ Escalation processes respond promptly and appropriately to incidents.

3 Resources

Risk description

We fail to secure the right people and other resources necessary to deliver our projects and manage our business.

Key risk indicators

- ➔ Material and trade shortages.
- ➔ Voluntary staff churn rate.
- ➔ Time to hire.
- ➔ Fair Payment Code performance statistics.
- ➔ Average month-end cash.
- ➔ Subcontractors not paying staff and suppliers promptly.

Link to our strategic priorities

-  People-orientated, progressive culture.
-  Socially and environmentally responsible delivery.
-  Quality and innovation.
-  Sustainable financial returns.

Risk appetite

We aim to recruit employees from a diverse talent pool, who are aligned to our values and behaviours. We seek to work with financially resilient subcontractors, suppliers and joint venture partners who share our values in relation to safety, quality and sustainability.

Potential causes of risk

- ➔ We are unable to retain, develop and/or attract the right staff to meet our future needs, we mismatch our staffing levels to peaks and troughs in activity, or lack diversity.
- ➔ Lack of capacity in the supply chain due to high levels of activity in the construction sector.
- ➔ Subcontractor and/or client insolvency.
- ➔ Failure to comply with fair payment practices.

Current risk environment

- ➔ Material cost inflation has reduced as demand/supply imbalances have stabilised and energy prices have fallen. However, we continue to take sensible measures to manage material cost inflation, such as early procurement, supply chain engagement and risk allowances in tenders.
- ➔ Lead times for bulk items such as steel and bricks have returned to normal. The supply chain currently tends to prefer working with us over high-volume discounted residential house builders due to our more-manageable volumes and slightly higher margins.
- ➔ Subcontractor insolvency remains a risk, with some failing as a result of ISG's demise. We manage this by being selective in who we work with, monitoring our exposure and ensuring we pay our suppliers promptly. After the demise of ISG, we contacted our supply chain members to establish if their operations would be impacted.
- ➔ It remains a competitive market for talent. Large infrastructure schemes and a mismatch between skilled worker supply and demand continues to drive up salaries and increases the risk of employees leaving for higher reward packages. Our 'Grow Together' campaign is helping to engage our employees through our Employee Value Proposition, which is part of the broader 'retain and gain' people strategy.
- ➔ We have implemented a new Career Paths website and tool to further help employees to develop both professionally and personally.
- ➔ We have grown our internal resourcing capability which is demonstrably facilitating better and more affordable recruitment, especially across standard role types. This is helping to mitigate the increasing cost of employment.
- ➔ The results of our employee survey indicate that we have high levels of employee engagement and advocacy, and we continue to improve the way we promote the business and develop our employee offering.
- ➔ We have published an AI policy and guidance note, to help the business to work within acceptable parameters.

Emerging risks

- ➔ There is a generational shortage of skills, as more experienced staff retire and are not replaced in sufficient numbers because the construction sector cannot compete with other sectors in attracting talent.
- ➔ Potential difficulty in disseminating and engraining cultural standards into acquired businesses – albeit the refined acquisition strategy and a new digitised induction will help to limit this.
- ➔ Innovations in the use of technology will require us to attract a workforce with a different set of skills.
- ➔ Failure to embrace and successfully implement AI tools.
- ➔ Depletion or increased scarcity of non-renewable materials may lead to greater volatility in prices and more regular disruption to supply.
- ➔ The drive towards net zero construction may lead to an increased risk of defects and quality issues, as we start to use new, low-carbon materials whose long-term performance is unproven.
- ➔ Availability of lower-carbon materials will become more challenging, as more main contractors look to secure the same resources.

Mitigations

- ➔ Our HR strategy is based on best practice principles and relevant legislation and includes the regular review of remuneration and benefits packages, to ensure we remain competitive, as well as focusing on wellbeing.
- ➔ Our succession planning and talent management processes enable continuity and identification of future leaders.
- ➔ We support our people's career ambitions and provide them with opportunities to progress. We promote opportunities for internal mobility through our Explore programme.
- ➔ We operate graduate, trainee and apprenticeship programmes to develop our own pipeline of talent.
- ➔ We develop long-term relationships with key suppliers and subcontractors, so we remain a priority customer when resources and materials are in short supply.
- ➔ Our Advantage through Alignment programme facilitates greater engagement with our key supply chain members and provides them with greater visibility of our pipeline of projects.
- ➔ We are committed to paying 95% of supply chain invoices within 60 days and achieving the Fair Payment Code's Bronze standards. This is reinforced by our strong balance sheet and net cash position.
- ➔ We carry out enhanced supply chain checks and monitor subcontractor financial performance and reputational risks.
- ➔ Each business unit reviews its cash forecast weekly and monthly, and the Group prepares a detailed daily cash book forecast for the following eight-week period, to highlight any risk of intramonth fluctuations. Forecasts are reviewed at business unit, division and Group level.

Principal risks

4 Regulatory compliance

Risk description We fail to comply with the requirements of the various legal and regulatory regimes in which we operate, resulting in a high-profile breach and regulatory censure.	Key risk indicators ➡ Number of external enforcement cases.	Link to our strategic priorities ➡ Socially and environmentally responsible delivery. ➡ Quality and innovation. ➡ Sustainable financial returns.
Risk appetite We have zero tolerance for non-compliance with regulations. We expect all employees and subcontractors to be aware of all regulations relevant to their role and to comply at all times. We also expect our people to speak up if they observe or suspect non-compliance. Potential causes of risk ➡ Failure to update our procedures to reflect changes to key legislation and regulations. ➡ Failure to provide sufficient and effective training to all staff. ➡ Failure to implement effective compliance monitoring processes.	Current risk environment ➡ The Building Safety Act has provided greater clarity on the requirements and responsibilities in relation to building safety and is driving greater quality in construction. The Act also has the potential for consequences in relation to the extended period in which certain defect claims can be made. ➡ We continue to invest in cyber security tools, recognising the potential risk of cyber attacks, especially linked to the conflict in Ukraine, and the wider geopolitical environment. ➡ We are on track with reviewing and updating our internal controls framework ahead of Provision 29 of the UK Corporate Governance Code becoming effective for our financial year ending 30 June 2027. We will undertake testing before then, so that any control failures are addressed before the plc Board needs to complete its effectiveness review of the Company's risk management and internal controls framework. ➡ The regulatory landscape in relation to ESG reporting is evolving quickly and requires us to monitor and publish more information and comply with new standards, such as those from the International Sustainability Standards Board. Emerging risks ➡ New legislation to combat climate change, such as carbon taxes or a ban on the use of diesel, could have a significant impact on our operations. ➡ Biodiversity and water use regulations may become more stringent and result in increased compliance costs.	Mitigations ➡ Galliford Try has comprehensive policies and guidance at every level including our Code of Conduct, mandatory regulatory and cyber security e-learning for all employees, an anonymous and independent whistleblowing helpline, regular legal updates and briefings, six-monthly compliance declarations, and conflict of interest registers and authorisations. ➡ The Ethics and Compliance Committee provides ongoing monitoring and oversight of policy and compliance activity in relation to key areas of legislation. ➡ Our information security standards and procedures are accredited to the ISO 27001 standard.



Task Force on Climate-related Financial Disclosures (TCFD)

Accelerating our action on climate change

We are taking action to ensure that our business continues to adapt and thrive in a changing climate.

The built environment is responsible for around 40% of global carbon emissions, therefore as a business operating in the construction sector, we have a responsibility to play our part in reducing emissions. We have reduced the carbon emissions within our own operations by 59% since 2012 and have set ambitious targets to drive further carbon reduction across the business.

We have committed to achieving net zero within our own operations (Scope 1 and 2 emissions) by 2030 and across our full value chain (Scope 1 and 2 and Scope 3 emissions) by 2045 (pages 32 to 35). In this context, we define net zero as reducing our carbon emissions as much as possible by the target year and offsetting any remaining emissions using high-quality, removals-based carbon offsets.

The Group remains compliant with Financial Conduct Authority (FCA) listing rule UKLR 6.6.6(8)R by making disclosures consistent with the TCFD Recommendations and Recommended Disclosures. In accordance with LR 6.6.8G, in assessing our compliance with the recommendations of the TCFD, we have taken into account the guidance for all sectors in section C of the 2021 version of the TCFD guidance 'Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures'. We have also reviewed the other guidance documents referred to in LR 6.6.9G, and as we have published net zero targets, we have particularly focused on the TCFD guidance on metrics, targets and transition plans. Based on this guidance, we have made disclosures that are aligned with the TCFD core element areas of Governance, Strategy, Risk Management and Metrics and Targets and comply with the 11 specific recommended disclosures, with the exception of the following recommendation where we are partially compliant:

- Strategy recommendation b – we have not disclosed quantitative assessment of the potential financial impacts of the risks and opportunities identified, see Financial Impact section on page 67.

We have assessed the requirements of the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and consider the disclosures we have made in relation to TCFD to address these requirements.

This year's TCFD disclosures reflect our increasing focus on climate change and some of the key developments and achievements during the year, including:

- Ensuring that our Sustainable Growth Strategy to 2030 continues to reflect climate-related risks and opportunities.
- Enhancing our articulation of the key climate-related risks and opportunities, particularly in relation to extreme weather events.
- Achieving PAS 2080 Carbon Management in Buildings and Infrastructure certification.
- Maintaining a CDP Climate Change score of B, Management Level – 'taking coordinated actions on climate issues'.
- Achieving the London Stock Exchange 'Green Economy Mark' in recognition of the proportion of our revenue that is derived from green activities.

Climate change considerations are embedded into our existing governance and risk management framework. Therefore to avoid duplication, the key disclosures in relation to the 11 TCFD recommendations are included in the relevant sections of the Annual Report, as indicated in the table overleaf. In this section, we have provided information on the disclosures that are not addressed in other sections.

Task Force on Climate-related Financial Disclosures (TCFD)

continued

TCFD pillar	Recommended disclosure	How we addressed the disclosure
Governance Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the plc Board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	Governance of climate-related risks and opportunities is embedded into our business-as-usual governance and risk management processes and structures. This approach allows us to assess climate-related risks and opportunities in the context of the broader risk environment and develop pragmatic responses that are aligned with our overall Sustainable Growth Strategy. During the year, the plc and Executive boards reviewed the detailed assessments of climate-related risks and opportunities performed by the Executive Risk Committee. For further information on management's role in assessing risk, please refer to our Risk Governance framework outlined on page 58 and broader Governance framework outlined on page 84.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	See 'Our climate-related risks and opportunities' sections on pages 69 to 74. 'Environment and Climate Change' is part of the 'Socially responsible delivery' cornerstone of our Sustainable Growth Strategy (page 16). See Market review on pages 10 to 15 and our Sustainable Growth Strategy on pages 16 to 19. See also 'Managing climate-related risks' on page 65 and 'Financial Impact' on page 67. We have performed a qualitative analysis of the effect of different climate scenarios on our climate-related risks and opportunities. See pages 65 to 66 for an explanation of the approach we have taken and pages 69 to 74 for our summary conclusions for each risk and opportunity.
Risk management Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks. b. Describe the organisation's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	The identification, assessment and management of climate-related risks and opportunities is embedded within our broader risk management structure and processes. For further information on our risk management process, please refer to the Principal risks section on page 58 to 62. See 'Managing climate-related risks' on page 65. Climate-related risks are considered as cross-cutting risks that can have an impact on a number of the principal risk themes we monitor at a business unit and Group level, such as work-winning or project delivery. For further information on our risk management process, please refer to the Principal risks section on pages 58 to 62.
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	See 'Metrics and Targets' section on page 68. Information on our GHG emissions performance and net zero targets are included in the Environment and climate change section on pages 32 to 35. See 'Metrics and Targets' section on page 68.

Our climate-related risks and opportunities

We continue to monitor our key climate-related risks and opportunities along with our principal and emerging risks, a process that is overseen by the Executive Risk Committee, which meets three times a year. The March meeting of the Committee focuses on climate-related risks and opportunities with the key output being a summary of the key climate-related risks and opportunities which is reviewed by the Executive and plc boards. The Executive Risk Committee uses the Primary Climate Related Risk and Opportunity Drivers within the CDP framework to identify the risks and opportunities that are most relevant to our sector, business model and strategy. Given the inherent uncertainty in relation to the financial impact of each risk and opportunity, the Executive Risk Committee assesses materiality based on a qualitative assessment of the nature of the risk and opportunity and how fundamental it is to achieving our strategic objectives. The most significant risks and opportunities are summarised on pages 68 to 75.

Climate-related risks are also considered during the business unit risk review process. The approach we take at a business unit level is to treat climate change as a cross-cutting risk that can have an impact on a number of the principal risk themes we monitor in the business unit risk registers, such as work winning or project delivery. Business units are required to review and update their risk register twice a year.

Managing climate-related risks

The climate-related risks we face are managed through our existing strategic and operational management processes. For example, the risk and opportunity created by the increased carbon reduction requirements and expectations of clients is one of the key drivers of our Sustainable Growth Strategy. This is supported by operational responses, led by the Executive Board, to deliver the strategy. These responses include investment in new carbon reduction roles, creation of cross-disciplinary working groups, development of new processes and tools, and upskilling our own people and our supply chain.

Climate scenario analysis

We have developed three scenarios that are broadly defined by the pace and extent of climate change mitigation and the associated impact on the physical effects of climate change.

In developing our scenarios, we used the UK Shared Socioeconomic Pathways (UK SSPs), that have been developed by the UK Climate Resilience Programme and are aligned to the global SSPs used by the IPCC in their sixth Assessment Report. We have used SSPs as the basis for our scenario analysis because they are grounded in the socioeconomic context in which Government policy and market responses to climate change will emerge and therefore are particularly relevant to assessing transition risks and opportunities. This context includes important socio-economic drivers such as economic development, demography, public attitudes and international relations.

The UK SSPs are particularly relevant to our business model because in addition to being developed in the context of the UK, they factor in considerations in relation to future investments in sectors where we have a strategic focus, including infrastructure, health, education, affordable homes, and green technology. The SSPs have been supplemented with Representative Concentration Pathways (RCP) scenarios that are consistent with each SSP and provide a recognised framework for assessing the potential physical impacts of climate change under different scenarios. The key features of each scenario are summarised in the table on page 64.

Task Force on Climate-related Financial Disclosures (TCFD)

continued

In assessing the likely timeline when risks and opportunities will begin to have an impact on the business, we have applied the definitions below. Although a risk or opportunity may have been assessed as beginning to have an impact in the short term, the impact may, in some cases, extend into the medium or long term.

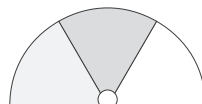
Short term (0 – 3 years)

Aligns to our current pipeline of opportunities and projects and reflects issues and trends that are already having some impact.



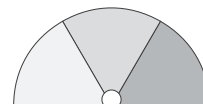
Medium term (3 – 10 years)

Issues or trends that are already visible, but are not yet having a significant impact.



Long term (10 – 30 years)

Potential issues or trends that are foreseeable, but there is a high degree of uncertainty on how they develop and what impact they will have on the business.



Scenarios

UK-SSP scenario	UK-SSP1 Sustainability	UK-SSP2 Middle of the road	UK-SSP5 Fossil-fuelled development
RCP scenario	RCP2.6	RCP4.5	RCP8.5
Abstract	The policy agenda is driven by changing societal attitudes with greater focus on equality and environmental protections.	The policy agenda initially does not change significantly, but then requires radical reform with increased reliance on public-private finance.	The policy agenda is driven by a focus on strong economic growth and maintaining energy and food security.
Key physical features			
CO ₂ e emissions	Global emissions falling to net zero around 2075.	Global emissions remain at current levels until mid-century, then falling but not reaching net zero by 2100.	Global emissions triple by 2075.
Estimate of global warming by 2100	1.8	2.7	4.4
Climate impacts	In all scenarios, the UK experiences milder, wetter winters and hotter, drier summers. More regular extreme weather events such as heatwaves, droughts, flooding and storms are virtually certain in all scenarios, and become more frequent and more extreme as estimated global warming increases.		
Key transition features			
Regulation	Strong environmental regulations are introduced, especially in relation to carbon emissions and environmental protection.	More stringent land use and planning regulations are gradually introduced to combat the increasing degradation of the natural environment.	Environmental legislation is relaxed to support the focus on economic development.
Investment	Increase in public spending on infrastructure with a focus on repurposing and transformation of infrastructure, to drive energy efficiency and wider access to good quality public services in education and healthcare and other public infrastructure.	Initially increased investment on connectivity and transport infrastructure, then public spending shifts to focus on technology to support smart cities, vertical agriculture, etc. Public-private partnerships result in slightly increased investments in education, health care and other public infrastructure.	High levels of public spending on infrastructure, health and education are maintained, funded by and in support of economic growth.
Energy	Renewables, with significant public and private investment in wind and solar as well as nuclear generating capacity.	Continued reliance on fossil fuels, and renewables becoming an increasing part of the energy mix. The private sector finances large-scale infrastructure projects for renewable energy (eg barrages).	Energy policy prioritises development of North Sea and shale gas reserves. Investment in renewables decreases due to lack of incentive with renewables only remaining when economically feasible.

We have used these scenarios to provide a qualitative assessment of how the climate-related risks and opportunities we have identified on pages 68 to 75 may change under the different potential pathways.

Resilience of our strategy

The nature and scope of our activities and the commercial environment in which we operate provide us with a number of inherent advantages in terms of the resilience of our strategy and our exposure to climate-related risks:

- ➊ We do not have significant amounts of capital tied up in production facilities or other assets that could be at risk of stranding, ie their useful economic life being curtailed due to the transition to a low carbon economy.
- ➋ Our operations are entirely in the UK and therefore, while still exposed to rising mean temperatures and more severe weather events, we have limited exposure to the climate extremes that are predicted to make human life unsustainable in some regions of the world.
- ➌ Our presence in sectors such as Environment position us to deliver on the UK's requirement to address the impacts of climate change such as storm overflows.
- ➍ Our businesses are largely project based and are geographically dispersed, which limits our exposure to damage to a business-critical facility due to extreme weather.
- ➎ We are not exposed to rapid and unpredictable shifts in consumer preferences and behaviour as our work is for long-term repeat clients, largely in the public and regulated sectors.
- ➏ We are not exposed to the capital investment cost or risk associated with developing new, low carbon alternatives to existing product ranges as this is typically carried out by our supply chain partners.
- ➐ Where we have good visibility of rising costs, these can be priced into our bids and recovered from clients.

The qualitative scenario analysis we have performed provides further demonstration of the resilience of our Sustainable Growth Strategy. The strength of existing client relationships, our investment in developing our low carbon construction capability and ongoing collaboration with our supply chain position us well to manage the risks and capitalise on the opportunities of a rapid transition to a net zero economy. In the event of a slower or even no transition to net zero, there will still be market demand for construction services, albeit the investment drivers will have a greater focus on climate change adaption rather than mitigation.

Financial impact

For each of our climate-related risks and opportunities, we have identified the category of the potential financial impact. Given the nature of our most significant risks and opportunities, the potential impacts are on the income statement and relate to decreased or increased revenue or decreased or increased operating costs.

We have not disclosed any quantitative assessment of the potential financial impacts. We acknowledge the importance of being able to quantify the potential financial impact of climate-related risks and opportunities, however, we also recognise the need for such disclosures to be meaningful and comparable. This is currently extremely challenging for a number of reasons:

- ➊ In the absence of consistent and detailed guidance on methodologies that should be adopted to quantify financial impacts, there is a risk that we adopt a quantification methodology that is not consistent with other reporters, resulting in potentially misleading disclosures.
- ➋ Because we are constantly responding to the evolving expectations of clients and the market, it is extremely difficult to disaggregate the impact of climate-related risks from business as usual risks.
- ➌ Similarly, assessing the impact of risks without mitigation is extremely difficult to do because 'doing nothing' is not an option and the mitigation is embedded in our business as usual.
- ➍ Any quantification would be based on scenarios which have been developed for modelling purposes and therefore do not represent forecasts of actual financial impacts.
- ➎ The risks and opportunities are interrelated and therefore any quantification in isolation would be potentially misleading.

Until further consistent and definitive guidance around quantification methodologies for climate-related financial impacts is available, we will continue to disclose how each risk or opportunity could have an impact on our financial performance and provide a qualitative assessment of the level of risk under different scenarios.

We have however considered the potential for any material financial impacts, such as asset write-downs, increased capital investment requirements, or liabilities for environmental remediation to be disclosed, and have concluded that there are no material climate-related financial impacts to be disclosed.

Task Force on Climate-related Financial Disclosures (TCFD)

continued

Metrics and targets

We have added further detail to our GHG emissions reduction targets to align with our validated science-based targets, and to recognise that as the business grows, we need to monitor emissions intensity as well as absolute emissions to provide a clearer picture of the impact of our emission reduction initiatives.

We have performed a classification of our revenue, using the FTSE Russell Green revenues Classification System. This is a significant metric to help us monitor transition risks and opportunities as it demonstrates the extent to which we are positioned to take advantage of the transition to a low carbon economy and the limited reliance on non-green revenue generating activities.

Most of the metrics are existing KPIs and further information on our performance in the year is provided in the 'Operating sustainably' section of the report. We will look to develop additional metrics and targets that are more closely aligned to the climate-related risks and opportunities we have identified over the next two-three years.

Metric category	Metric	Calendar year 2023	Calendar year 2024	Target
GHG emissions	Scope 1 and 2 emissions – market-based (tCO ₂ e)	10,486	14,811	Net zero by 2030 (with a 43% reduction compared to 2021 baseline)
	Scope 1 and 2 emissions intensity (tCO ₂ e per £100K revenue)	0.69	0.79	0.60 tCO ₂ e by 2030 (43% reduction compared to 2021 baseline)
	Scope 3 emissions – verified (tCO ₂ e) ¹	7,128	8,874	Net zero by 2045
	Full Scope 3 emissions (tCO ₂ e) ²	Not reported for both years		43% reduction by 2030 compared to 2021 baseline Net zero by 2045
	% of company car fleet that is EV or PHEV	92%	98%	100% by 2027
	% of purchased electricity on renewable tariffs	86%	90%	100% by 2025
Waste intensity	Tonnes of waste per £100k revenue	17.7	12.4	Year-on-year reduction.
Transition risks and opportunities	CDP Climate Change score	B	B	A
	Green revenue as a % of total revenue	58%	67%	>50%
Remuneration	% of Executive bonus linked to emissions reduction ³	Not applicable	3%	3%

Notes:

- 1 Scope 3 verified emissions are those emissions that have been calculated and included in the scope of the external verification.
- 2 Scope 3 estimated emissions are those emissions that have been estimated, but not externally verified.
- 3 See Remuneration Committee section on page 104 onwards for details of Executive bonus performance criteria.

Transition Plan

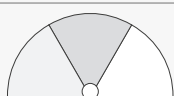
We have reviewed the disclosure framework and sector specific guidance published by the Transition Plan Taskforce (TPT) and will work towards integrating the TPT disclosure framework guidance as we develop and publish our Transition Plan.

Risk

Fail to develop a competitive low carbon construction capability

Time horizon

Medium term.



Potential impact on financial performance

➔ Decreased revenues.

Link to our principal risks

① Work winning.

Scenario analysis

Sustainability



Middle of the road



Fossil-fuelled development



Level of risk

The risk is greatest under the 'Sustainability' scenario, as client expectations in relation to low carbon construction will evolve more quickly and across more sectors, driven by increased regulation and changing stakeholder sentiment. Under the other two scenarios, this risk is much reduced as the regulatory and market drivers will not be focusing on low carbon construction.

Risk description and potential impact on the business

Our clients, in both the public and commercial sectors, are increasingly required to operate low carbon buildings and infrastructure. They expect us to have the capability to model the embedded and operational carbon, use lower carbon materials and extend the life of their existing assets through retro-fitting. In support of this, some clients are beginning to include carbon reduction targets within the project requirements.

Planning policies and building regulations may also move towards ensuring that embedded and/or operational carbon targets are incorporated into the design and construction of buildings and infrastructure.

If, together with our supply chain, we fail to develop these capabilities quickly enough, we may not remain competitive and may not be able to win positions on key frameworks which may result in reduced levels of revenue and profits.

Risk mitigation

We have committed to achieving net zero across our own operations by 2030 and across all value chain operations by 2045. To do this, we have developed our Net Zero Route Map and are taking multiple actions to achieve our carbon reduction targets including:

- ➔ Working closely with our clients to understand their carbon reduction ambition and targets, and developing solutions to meet those objectives.
- ➔ Investment in key low carbon construction roles.
- ➔ Carbon literacy training for all staff.
- ➔ More detailed role-based training for key roles.
- ➔ Supply chain engagement and upskilling.
- ➔ Development of carbon reduction management process accredited to the PAS 2080 standard.
- ➔ Use of carbon calculators to model embodied and operational carbon.
- ➔ Development of systems and applications to improve carbon data and reporting.

Level of risk

● High ● Moderate ● Low

Risk

Increased frequency of extreme weather events

Time horizon

Short term.

Potential impact on financial performance

➔ Increased direct costs.

Link to our principal risks

➔ Project delivery.

➔ Resources.

Scenario analysis

Sustainability

Middle of the road

Fossil-fuelled development

●

●

●

Level of risk

In all scenarios, the UK will experience milder, wetter winters and hotter, drier summers. More regular extreme weather events such as heatwaves, droughts, flooding and storms are virtually certain in all scenarios, and become more frequent and more extreme as estimated global warming increases.

Risk description and potential impact on the business

Risk mitigation

A significant amount of construction activity happens outside and therefore is exposed to the weather. The latest Met Office UK Climate Projections (UKCP August 2022) predict warmer, wetter winters and hotter, drier summers, along with an increase in the frequency and intensity of extreme weather events including heatwaves, storms, intense rainfall and flooding. Such events could lead to disruption to our construction activities in a number of ways:

- ➔ Prolonged periods of rainfall may lead to poor ground conditions that may cause programme delays due to the curtailment of certain activities, especially bulk earth movement on our Infrastructure projects.
- ➔ Prolonged, extreme temperatures, such as in heatwave conditions, may require modifications to working practices to maintain worker welfare which may increase costs and reduce productivity.
- ➔ Intense storm events, including intense rainfall and high winds may cause damage to works under construction and curtail certain activities, such as crane lifts or earthworks, which could result in project delays and additional costs.
- ➔ High winds may increase safety risks for operatives and members of the public for example through tower crane or scaffold collapses or other structures and objects becoming unsecured.
- ➔ Damage to transport and utilities infrastructure caused by severe weather may make it more difficult for staff and deliveries to get to sites.
- ➔ Extreme drought conditions could result in restrictions on water usage which may make it impossible to maintain site welfare or restrict certain activities, such as concrete pouring and dust suppression.
- ➔ Extreme weather events in other parts of the world could lead to supply chain disruption (unavailability, longer lead times and increased costs).

As extreme weather events become more frequent, we may also see clients look to transfer risk. Traditional contractual protections, including force majeure clauses and definitions of what constitutes 'exceptional' weather, may be reviewed and challenged.

An increase in the frequency of material damage claims may lead to higher insurance costs.

Changes in temperature extremes can also have an impact on the resilience of building materials and therefore determine the materials we are able to use and could lead to a greater number of latent defect claims. Similarly, changes in climate may influence the heating and cooling systems that we specify which may increase the costs of the buildings and infrastructure we build.

We are experienced in developing and amending site operating procedures in response to specific health and safety risks. Examples of adaptations we make include:

- ➔ Increased provision of welfare facilities, including access to shade, water and sunscreen during periods of hot weather.
- ➔ Flexible working patterns to limit work in the hottest part of the day.
- ➔ Increased use of off-site and other MMC to shorten programmes and reduce the number of people on site.

Similarly, we are experienced in managing the impact of unexpected events on construction programmes and have a number of operational and contractual mechanisms to mitigate the risks, including:

- ➔ Resequencing of activities, such as laying hard surfaces to external areas earlier in the programme, to reduce the potential impact of seasonal weather patterns on operations.
- ➔ Increasing the amount of dewatering activity to maintain ground conditions.
- ➔ Staggering of shifts to extend the working day.
- ➔ Securing extensions of time.
- ➔ Insurance cover for damage to property.

We continually assess new weather norms, including looking at more recent history rather than longer-term trends, and ensure that adequate risk provisions are included in our tenders.

We remain vigilant to unreasonable risk transfer in contracts and ensure that the terms we accept in our client contracts are reflected in our downstream contracts.

Level of risk

● High ● Moderate ● Low

Risk

Increased material costs make projects unaffordable

Time horizon

Short term.



Potential impact on financial performance

- ➔ Decreased revenues due to reduced demand for products and services.

Link to our principal risks

- ① Work winning.
③ Resources.

Scenario analysis

Sustainability



Middle of the road



Fossil-fuelled development



Level of risk

The risk is highest under the 'Sustainability' scenario as there will be the greater urgency to transition to low carbon energy and materials, exacerbating the supply and demand imbalances. The extension of carbon pricing and other regulatory pricing incentives to reduce carbon emissions is also more likely under the Sustainability scenario.

Risk description and potential impact on the business

There are a number of climate-related drivers that may result in sustained increases in materials costs in the construction sector. This is driven through a combination of the market dynamics of supply and demand imbalances, as well as Government policy to incentivise carbon reduction. Our bidding disciplines and contractual protections largely insulate us from the direct impact of cost increases. However, the indirect consequence of rising construction costs could be potential projects becoming unaffordable for our clients, leading to a reduction in opportunities or delays in project starts due to clients' budgets constraints.

Manufacturers are developing innovative, lower-carbon materials all the time and this is vital if we are to reduce the embodied carbon of the buildings and infrastructure we construct. However, as new products come on to the market and establish credibility, demand for these materials could grow more quickly than the production capacity, resulting in higher material costs.

In the short to medium term, the supply and demand imbalances in global energy markets are likely to be sustained as countries manage the twin challenge of decarbonising electricity generation and increasing security of supply. Energy prices will continue to have a significant impact on the cost of materials that have energy intensive manufacturing processes, such as steel, concrete, and glass.

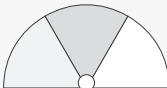
In addition to the market imbalances, regulatory moves to use carbon pricing to incentivise carbon reduction may add further upwards pressure on the price of carbon-intensive materials. The introduction of the UK Carbon Border Adjustment Mechanism (CBAM) from 2027 may increase the cost of importing carbon-intensive construction materials such as steel.

Risk mitigation

- ➔ Maintain bidding and contracting discipline to protect ourselves from short-term cost inflation and maximise cost recovery.
- ➔ Use of BIM and carbon calculators to optimise designs and reduce the amount of carbon-intensive materials.
- ➔ Increase the adoption of off-site manufacture and other MMC to reduce costs through minimising waste and shortening construction programmes.
- ➔ Work with clients to support design solutions that minimise the material requirements eg transitioning from new build to retro-fitting and refurbishment.

Level of risk

● High ● Moderate ● Low

Risk			
Failure to manage the adoption of new technology			
Time horizon Medium term.		Potential impact on financial performance ➔ Increased direct costs.	Link to our principal risks ② Project delivery. ③ Resources.
Scenario analysis	Sustainability 	Middle of the road 	Fossil-fuelled development 
Level of risk The risk is highest under the 'Sustainability' scenario as there will be the greater urgency to deploy new technology, driven by regulatory requirements and market expectations.			
Risk description and potential impact on the business		Risk mitigation	
As the focus on embodied carbon increases, we expect to increasingly be required to use lower carbon alternatives for construction materials, especially carbon-intensive materials such as steel, concrete and glass. There is a risk associated with the adoption of new materials and using manufacturers and suppliers we have no experience of working with previously. Without effective product and design evaluation and robust quality assurance procedures, there is a risk of increased defects, which in turn could result in the professional indemnity insurance market responding through further increases in premiums or restrictions/limitations in cover. Similarly, to achieve our Scope 1 and 2 net zero by 2030 target, we will have to significantly reduce (if not eliminate) our use of diesel-powered plant and equipment. The non-diesel alternatives, such as Hydrotreated Vegetable Oil, electric and hydrogen, may not be available in the volumes we require, at an equivalent cost, or deliver sufficient safety and/or operational performance.		Response includes: ➔ Development and implementation of digital tools to drive quality such as FieldView, BIM and Dalux. ➔ Investment in employee training including role-specific carbon training. ➔ Using our Technical and Quality, Research and Development and Supply Chain teams to evaluate new materials, plant and equipment and other new technology and support their adoption across the business. ➔ Quality alerts to share learning and information where potential issues with particular products have been identified. ➔ Engaging collaboratively with the supply chain to identify and switch to lower carbon materials and solutions. (See the Supply Chain section on page 44 for examples).	
Level of risk  High  Moderate  Low			

Opportunity

Increased demand for low carbon buildings and infrastructure

Time horizon

Short term.



Potential impact on financial performance

➔ Increased revenues resulting from increased demand for our products and services.

Link to our principal risks

① Work winning.

Scenario analysis

Sustainability



Middle of the road



Fossil-fuelled development



Level of opportunity

The opportunity is greatest under the 'Sustainability' scenario, as client requirements and expectations in relation to low carbon buildings and infrastructure will evolve more quickly and across more sectors, driven by increased regulation and changing stakeholder sentiment. Conversely, in the 'Fossil-fuelled development' scenario, the regulatory and market forces will be weakest and will not drive investment in low carbon construction.

Opportunity description and potential impact on the business

In order to decarbonise the built environment in the UK, and meet emerging energy efficiency standards, there is a need for our clients to ensure that existing assets are either replaced with new, more energy-efficient assets, or increasingly, ensure that they are modified to extend their life and improve their energy efficiency. Demand for both new build and retrofit of existing assets with low embodied and operational carbon performance is likely to create a pipeline of opportunities, particularly in sectors where we already have a strong presence such as education and health.

Opportunity realisation

The actions we are taking to realise the opportunities are similar to the actions we are taking to mitigate the risk of failing to develop our low carbon construction capability, ie:

- ➔ Working closely with our clients to understand their carbon reduction ambition and targets and developing solutions to meet those objectives.
- ➔ Investment in key carbon reduction roles.
- ➔ Use of carbon calculators to model embodied and operational carbon.
- ➔ Developed our Carbon and Energy Property Pathway Assessment (CEPPA) tool to assess the energy efficiency of existing buildings and model the impact of investment in improvements such as upgraded insulation, lighting or renewable energy.
- ➔ Develop capability to design and deliver more energy efficient wastewater treatment processes.

Level of opportunity

● High ● Moderate ● Low

Task Force on Climate-related Financial Disclosures (TCFD)

continued

Opportunity

Climate resilience and adaption

Time horizon

Short term.



Potential impact on financial performance

- ➔ Increased revenues resulting from increased demand for products and services.

Link to our principal risks

- ➔ Work winning.

Scenario analysis

Sustainability



Middle of the road



Fossil-fuelled development



Level of opportunity

There is likely to be high demand for the construction of climate-resilient infrastructure in all scenarios. There is already a significant demand within the water sector, driven by political and public sentiment, and this will only increase as the physical impacts of climate changes become more severe.

Opportunity description and potential impact on the business

As we experience more regular and more extreme weather events, such as prolonged heatwaves and intense rainfall events, there will be a need to make our public infrastructure more resilient to the changing climate. This is already a significant issue for the water sector where the capacity of the existing sewerage and wastewater treatment infrastructure is struggling to keep pace with the increasing demands placed on it by more regular, intense rainfall events, greater run-off from a more built up environment and population growth. As a result, there is strong public and political support for significant investment to improve the resilience of our water infrastructure, with a particular focus on increasing wastewater storage and treatment capacity and reducing combined sewer overflow discharges. There is also increasing demand for sustainable drainage solutions to be incorporated into developments, in order to reduce surface water run off and therefore reduce the demand on the sewerage network. There will also be the need to increase the resilience of water supplies to deal with increased demand and periods of drought, with associated investment in water storage, transfer and treatment infrastructure.

Opportunity realisation

We are already extremely well-positioned in the water sector, working with all the water and sewerage companies in England and Scotland. The actions we are taking to realise the opportunities include:

- ➔ Strategic acquisitions in adjacent markets, such as nmcn, MCS Control Systems, Ham Baker and AVRS, to broaden our capability and drive margins.
- ➔ Growing capacity and capability in our Environment business through targeted recruitment and national presence.
- ➔ Working with our supply chain to develop new solutions to address climate resilience issues, such as remote monitoring of river quality.

Opportunity

More efficient use of resources

Time horizon

Short term.



Potential impact on financial performance

- ➔ Reduced operating costs.

Link to our principal risks

- ➔ Project delivery.
- ➔ Resources.

Scenario analysis

Sustainability



Middle of the road



Fossil-fuelled development



Level of opportunity

The incentives to reduce our consumption of fossil fuels, energy and other resources are likely to be much higher under the 'Sustainability' scenario, with higher energy prices and potential regulatory costs associated with carbon emissions. Therefore the potential cost savings from more efficient use of resources will be greater under this scenario than under alternative scenarios where the regulatory and market drivers will not be as strong.

Opportunity description and potential impact on the business

The drive to reduce carbon in our own operations also creates an opportunity to realise the commercial benefits of greater resource efficiency, for example through reduced levels of business travel, lower energy and water consumption, and minimising waste.

Opportunity realisation

We are already taking actions to achieve cost savings through more efficient use of resources, with examples including:

- ➔ Transitioning our company car fleet to electric and plug in hybrid only.
- ➔ Using the most energy efficient welfare and office accommodation cabins available.
- ➔ Developing baselines and targets for water consumption on our projects.
- ➔ Combining battery storage with the latest generation of diesel generators to minimise diesel consumption.

Level of opportunity

● High ● Moderate ● Low

Viability Statement

As required by provision 31 of the UK Corporate Governance Code, the plc Board has assessed the prospects and financial viability of the Group, taking account of the Group's current position and the potential impact of the principal risks to the Group's ability to deliver its business plan. The assessment of prospects has been made using a period of five years. The assessment of viability has been made using a period of three years, which aligns with our budget period and provides reasonable visibility of future revenue from the existing order book. During the year, the Group entered a £25m unsecured Revolving Credit Facility (RCF) agreement with a syndicate of three banks (Barclays, Lloyds Banking Group and the National Bank of Kuwait) for a term of three years, maturing in March 2028. The facility includes an accordion option allowing the Group to request an increase in total commitment by a further £10m and an option to extend the facility by up to two years, subject to lender approval. No drawdown has been made since inception, therefore viability has been assessed in terms of the additional headroom against available cash reserves.

Assessment of prospects

As outlined in our Strategic Report, the long-term prospects of the business are supported by a strategy which builds on our existing strengths and the growth opportunities in our target markets.

Our alignment to the UK's continued investment in social and economic infrastructure is a fundamental driver of demand for our services and plays to our strengths in the health, education, defence, highways and environment markets. It is worth noting that the UK has had one of the lowest level of Government investment of the G7 nations in recent years and with an ageing infrastructure footprint. It is with this context that the budget was prepared. The budget also recognises the focus on investment in infrastructure of the Labour Government (as emphasised in the Spring Budget and recent Spending Review), which provides further support to the growth assumptions in our modelling. Our ability to achieve sustainable growth within these markets is underpinned by our position on the most significant procurement frameworks, our commitment to supporting the decarbonisation of the built environment and our investment in digital technologies to drive continuous improvement in quality and productivity and therefore higher margins.

Our people remain the key to our success and our focus on attracting and retaining a more diverse workforce as well as increasing the proportion of apprentices and graduates help us access the skills and expertise required to deliver on our Sustainable Growth Strategy.

Assessment of viability

The base case for the cash flow projections modelled in our assessment of viability is the budget for the three years from 1 July 2025 which incorporates appropriate contingencies against plausible day-to-day downside risks, primarily the Group's principal risks as disclosed previously. The base case shows strong levels of average month end net cash and assumes that the Group continues to operate without utilising the RCF.

Against this base case, we have stress-tested the latest forecasts and modelled the impact on cash flow and liquidity of downside scenarios related to our principal risks. The scenarios modelled and their link to the underlying principal risks are described below.

Scenario 1 – Reduction in construction volumes (Link to principal risks: Work winning)

Our cash performance is correlated with earnings growth and therefore reliant on construction activity being in line with our assumptions,

We have modelled a reduction in construction volumes and associated monthly cash receipts offset by a proportionate reduction in payments, relative to our base case forecast.

Scenario 2 – Deterioration in working capital (Link to principal risks: Resources)

We have modelled the impact of a deterioration in our working capital, which could be caused by delays in receiving payments from clients and/or earlier payments to our supply chain.

Scenario 3 – Irrecoverable cost increases (Link to principal risks: Project Delivery, Resources)

There is a risk of a prolonged period of materials cost inflation and therefore we have modelled the impact of failing to fully mitigate these cost increases on our projects.

Scenario 4 – 'Perfect storm' (Link to principal risks: Work winning, Resources, Project Delivery)

We also tested the severe but plausible scenario where all of scenarios 1–3 combine at the same time.

In addition to the scenarios above, further stress tests have been modelled including significant delays to cash receipts to further demonstrate the robustness of the Group's balance sheet.

As part of the viability assessment, the Board also considered the mitigations and interventions available to manage the impact of one or more of the downside scenarios occurring. The base case already includes significant cash contingencies, and the Board has considered further mitigating actions that are available to it.

The directors do not expect the emerging climate change risks to have a significant impact in the short and medium term, particularly given the nature of the contractual arrangements in place, although continue to monitor this, as the Group adapts to the changing environmental requirements and demands to deliver innovative solutions through new technologies and methods of construction.

Based on the results of this analysis, the Board has concluded that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of its assessment.

Stakeholder engagement s172(1) statement

Under Section 172 of the UK Companies Act 2006, directors must act in the way that they consider, in good faith, would be most likely to promote the success of their company. This statement covers our compliance with Section 172.

Managing and addressing our stakeholders' interests is crucial to the long-term success of our business. Stakeholders are therefore at the core of the Group's purpose (page two) and strategy (page 16).

Stakeholder engagement by the plc Board takes place through a variety of channels, both directly and indirectly. The type of engagement is driven by the needs of each stakeholder group, ensuring their interests are considered and addressed in a way that is both effective and practical. Details of how we engaged with key stakeholders, their interests and how these influenced Board decisions during the year are set out on the next pages.

plc Board oversight via the ESG Committee

Our ESG Committee reviews and oversees ESG matters and relationships with the business's key stakeholders, including collating their views and reporting them to the Board, to ensure their interests are appropriately considered in Board discussions and decisions.

When developing our initial Sustainable Growth Strategy in 2021, our ESG Committee (page 22) assessed the relative materiality of various priorities for different stakeholder groups, setting KPIs within a Stakeholder Materiality Matrix. The ESG Committee reviews the KPIs annually, to ensure they continue to reflect the priorities of our key stakeholders.

The information obtained in the meetings complements regular updates and presentations to the Board, which provide insights into key interests of our stakeholders such as health and safety, human resources matters, sustainability and client and supplier priorities. These are complemented by site visits, which enable directors to gain a first-hand insight into our culture, and meeting with investors and shareholders through platforms such as the AGM.

Further information on how the Board complies with the s172 statement is set out below.

s172(1) (a) The likely consequences of any decision in the long term

The Board recognises that the decisions it makes now will have an impact on the long-term success of the Group. The Board reviewed progress against its strategic objectives for the year and to 2030 in each of our businesses, including delivering organic growth in existing core markets in Building and Infrastructure,

with the focus on continuing to deliver and expand into key market sectors, the importance of contract selections with the right risk profile and on delivering quality, sustainable products to clients. Considerations included the current market landscape, including macroeconomic factors (see Market review) as well as the Group's resources and relationships.

s172(1) (b) the interests of the company's employees

The Group's strategy recognises that employees are core to the business model and its success depends on the ability to retain, develop and gain the right talent to resource its plans. The Board seeks to ensure that the workforce is first and foremost provided with a safe environment in which to work, that its Code of Conduct is adhered to and that appropriate rewards and benefits are awarded. These form part of our Employee Value Proposition, Grow Together, described in the People section on page 28 and in Stakeholder engagement on page 76. The Board closely monitors and assesses the Group's culture, using a range of methods to engage with employees and ensure that its policies, practices and desired behaviours support the delivery of the Group's strategy, values and purpose. This is achieved via site visits, management meetings, inductions, the Employee Forum, employee surveys and KPI reporting from the HR Director.

s172(1) (c) the need to foster the company's business relationships with suppliers, customers and others

The majority of our work is delivered in partnership with our supply chain so we ensure our supply chain contributes to the company's long-term success and aligns with its ethical and sustainability goals, and meet the objectives of our clients.

The Board demonstrates a clear commitment to prompt payment, being a signatory of the Fair Payment Code and agreeing our own Responsible Sourcing Policy and Modern Slavery Statements.

s172(1) (d) the impact of the company's operations on the community and the environment

By integrating environmental and community considerations into our business model, we aim to foster long-term, sustainable growth that benefits both our shareholders and the wider society.

The majority of our work in communities is managed at a local level, with Board oversight guiding our overarching aims. Similarly, we recognise the impact construction can have on the environment, and look to protect and enhance the environment where we can, with Group level policies providing guidance.

S172(1) (e) the desirability of the company maintaining a reputation for high standards of business conduct

Our Code of Conduct, 'Doing the Right Thing' serves as a practical framework for all employees to align their actions with the principles of Section 172, covering how we address the interests of employees, clients, suppliers, customers, communities, the environment and shareholders, and highlighting how managers can support their teams in upholding our values and behaviours. The Code emphasises:

Ethical standards: the standards and principles that guide how we work and what we value, ensuring that all actions are legally compliant and ethically acceptable.

Stakeholder relationships: the Code underscores the importance of building strong relationships with stakeholders, including employees, suppliers, and the community, fostering trust and collaboration.

Long-term value creation: the Code promotes greater social value, which contributes to the long-term success and sustainability of the company.

Raising concerns: the Code promotes the Group's whistleblowing hotline and other ways in which people can speak up if they see wrongdoing.

The Code is promoted to new employees by the Executive Board when they start employment with us, and referenced in communications as part of business as usual.

s172(1) (f) the need to act fairly as between members of the company

The plc Board seeks to act in a way that meets its stakeholders' interests but recognises that those interests may not always be in alignment across different members. It balances those views to ensure the course of action taken best enables the delivery of the strategy and its long-term ambitions.

Governance and compliance

To ensure adherence to our Code of Conduct, Galliford Try has implemented robust governance practices:

Management declarations: every six months, management across the Group is required to sign a declaration to the Chief Executive affirming that their teams are aware of and comply with the Code of Conduct and key policies.

Regular training: mandatory training on key themes such as diversity, discrimination, modern slavery, GDPR, anti-bribery and corruption, and cyber security is provided to all employees, reinforcing the company's commitment to ethical conduct.

Whistleblowing mechanism: we provide an independent whistleblowing line, allowing individuals to report concerns anonymously, ensuring accountability and transparency.

Further information is provided on pages 22 to 49.

Our people

We are reliant on our people to achieve our purpose.

Key business and sustainability stakeholder interests identified in our Stakeholder Materiality Matrix

- ➔ Health, safety and wellbeing.
- ➔ Purpose and culture.
- ➔ Inclusion.
- ➔ Investment in learning and development.
- ➔ Career progression.
- ➔ Rewards and benefits.

Direct engagement

- ➔ Designated Non-executive Director responsible for ongoing workforce engagement via the Employee Forum.
- ➔ The plc Board-level Employee Forum met twice in the period to discuss matters important to employees. The main agenda item is a feedback session during which representatives from the business provide employee perspectives and feedback about current and new business initiatives. Over the financial period, this included the update to the Group Strategy to 2030, the Group's financial results, an update on the new family-friendly policies, activities undertaken as part of the Group's Employee Value Proposition and updates on inclusion.



- ➔ The Board visited four sites to see our culture in action. These included two Environment projects, a Building project and the new Water Technologies factory, which will be crucial to the growth we are targeting in adjacent markets.
- ➔ The visits enabled the Board to see first-hand the culture of safety, the way we go about our work and interaction between management and employees, and to gain a deeper appreciation of operational aspects of the business and challenges and opportunities in our work. The Board received presentations from our businesses, including updates on key matters including safety, cyber security, family-friendly policies, people development, and succession plans.
- ➔ As part of the CFO's induction, he visited all our business units and key sites which enabled relationship building with our teams and aided his understanding of what their priorities and challenges are.
- ➔ The CEO and CFO hosted a management meeting for all of the Senior Leadership team (page 80).
- ➔ The CEO and CFO periodically took part in delivering inductions to new starters which outline our purpose, strategy, values and business processes, and give attendees the opportunity to ask them questions.
- ➔ The CEO and CFO periodically introduced our Challenging Beliefs, Affecting Behaviour safety module to staff.

- ➔ The CEO and CFO regularly communicate directly with employees through open dialogue, visits to our sites and offices, employee roadshows, emails and videos to all staff.

Indirect engagement

- ➔ The Group conducted a further Employee Survey this year, where staff provided their views on matters affecting their satisfaction in the workplace.
- ➔ The Board typically receives at least 10 reports a year featuring key employee statistics and trends, including risks and opportunities where relevant, relating to health, safety and wellbeing and employee matters.

Outcomes

- ➔ 0.09 Lost Time Frequency Rate and 0.03 Accident Frequency Rate.
- ➔ 96% of our people believe we give Health & Safety a high priority.
- ➔ 87% employee advocacy score.
- ➔ Were voted number one in the sector for graduates and apprentices by TheJobCrowd and retained Platinum membership of The 5% Club for early careers.

Clients

Satisfied clients are essential for a sustainable and profitable business.

Key business and sustainability stakeholder interests identified in our Stakeholder Materiality Matrix

- ➔ Financial stability and ability to deliver.
- ➔ Safety, time, cost and quality.
- ➔ Carbon and sustainability objectives.
- ➔ Creating greater social value.



Direct engagement

- ➔ The CEO and CFO engaged with key clients during the year and attended industry events.

Indirect engagement

- ➔ The CEO and CFO undertake budget reviews with all business units which cover KPIs, financial performance, opportunities, risks and actions relating to cash and profit and live projects. These ensure we are on track with our clients.
- ➔ The CEO and CFO hold fortnightly video calls with all of the Senior Leadership Team (SLT). During these calls, emerging risks and opportunities above and beyond day-to-day business are discussed.

- ➔ The CFO chaired the ESG Committee four times during the year, which covers feedback and trends from client-facing teams.
- ➔ The Board continued to monitor KPIs and progress through Board reports.

Outcomes

- ➔ 90% of our order book is in frameworks.
- ➔ 93% is repeat business.

Suppliers

The majority of our work is delivered in partnership with our supply chain, so they must be aligned to our values and objectives.

Key business and sustainability stakeholder interests identified in our Stakeholder Materiality Matrix

- ➔ Health, safety and wellbeing.
- ➔ Fair treatment and prompt payment.
- ➔ Pipeline of work.
- ➔ Collaborative relationships.
- ➔ Access to training, educational resources and learning opportunities.



Direct engagement

- ➔ The CEO and CFO meet with members of the supply chain during visits to sites.

Indirect engagement

- ➔ The Group Supply Chain and Procurement Director provides regular updates to the Chief Executive on supply chain matters and is also a Board member of the Supply Chain Sustainability School, a leading platform dedicated to promoting sustainable practices within supply chains.
- ➔ Supply chain risks and opportunities are also a key theme of the fortnightly SLT meeting chaired by the CEO.

- ➔ The CFO chaired the ESG Committee four times during the year, which includes our Group Supply Chain and Procurement Director.
- ➔ The Board continued to monitor KPIs and progress through Board reports.

Outcomes

- ➔ 59% of business unit core trades spend with Aligned subcontractors.
- ➔ 97% of invoices paid within 60 days.
- ➔ Gold member of Supply Chain Sustainability School.
- ➔ Won Partner Award from Supply Chain Sustainability School.

Communities

We want to be welcomed in the communities we operate in and create greater social value for them.

Key business and sustainability stakeholder interests identified in our Stakeholder Materiality Matrix

- Health, safety and environment.
- High-quality buildings and infrastructure.
- Use of local labour, resources and employment, educational opportunities and wider investment in the community.



Indirect engagement

- The CFO chaired the ESG Committee four times during the year.
- The Sustainability Director reports to the CFO and provides regular updates, which include horizon scanning, positional updates and progress and future requirements.
- The Board continues to support and encourage the volunteering policy, which offers two days per year per person.

Outcomes

- 43.9 average CCS score.
- 20 CCS awards won.
- 83% of projects exceeded our target of delivering a minimum of 25% of the contract value in social and local economic value, representing £1,076m.
- The Board approved the continued support of CRASH, the construction industry charity for the homeless.

Shareholders

We want our shareholders to have confidence in the long-term success of our business.

Key business and sustainability stakeholder interests identified in our Stakeholder Materiality Matrix

- A sustainable business model and strategy.
- Financial performance and dividend policy.
- Corporate governance.
- Risks to the business.



Direct engagement

- The CEO and CFO engage with shareholders through investor roadshows, face-to-face meetings, video or telephone calls, Capital Markets Days, results presentations and webcasts, analyst briefings and AGMs.

Indirect engagement

- The CEO and CFO provide regular updates to the Board from their meetings and interactions with shareholders.
- We issue important information about our business through our Annual Report, trading updates, Regulatory News Service announcements, investor presentations, our website, press coverage and social media channels.

Outcomes

- 19.0p full year dividend per share.
- See page 93 in the Governance review.



In the sector, we only own Galliford, and there's a reason for that... They have strong growth trajectories, with significant tailwinds in the end-markets they operate in... Why Galliford and not the others? Because they have a strong balance sheet.

Strategy in action

Engaging our leaders in our Strategy to 2030

In May 2025, the Chief Executive and Chief Financial Officer held a face-to-face meeting with the Senior Leadership Team (SLT), which comprises all business unit directors and the heads of functions such as HR, IT, Procurement, Pre-construction and Quality.

The day provided an opportunity for Bill Hocking and Kris Hampson to update the SLT on strategy, following the full and half year financial results, and discuss key themes for the strategy period. The subjects covered were:

- Performance and strategy update.
- People.
- Cyber security.
- Provision 29 of the UK Corporate Governance Code.
- Specialist Services.
- Water Technologies.
- Safety and quality.

For each area, subject matter experts discussed our current position, expectations, opportunities and challenges for the financial year and strategy period, potential barriers to progress and upcoming initiatives. The day provided lively discussion and networking between peers, and a chance for questions and answers.

Further detail on how the plc Board developed the strategy and considered stakeholder interests is detailed in the Governance report.

plc Board decision-making in action

Establishing a new Revolving Credit Facility

Overview

During the year, Galliford Try established an unsecured Revolving Credit Facility (RCF). The facility, together with our already strong balance sheet, provides greater agility and resilience to the business, and an excellent platform to take advantage of future opportunities as we prepare for the growth to deliver the 2030 sustainable growth targets. The RCF is for £25m for a term of three years, with options to extend for two years and an accordion option of a further £10m.

When agreeing the facility, the Board considered the following factors:

- ➔ Terms of the RCF including interest rate, potential fees including arrangement fees, annual renewal fees, and non-utilisation fees.
- ➔ The maximum amount the Group would want to arrange the RCF for.
- ➔ The nature of any covenants being requested.
- ➔ Whether the RCF should be secured or unsecured, including flexibility to make drawdowns and repayments, pricing of each and duration.
- ➔ The benefits and advantages of each lender's proposal.
- ➔ Alternative financing options.

The following stakeholder interests were considered:

- ➔ The anticipated management resource taken to secure an appropriate facility.
- ➔ Cash flow needs of the business in the medium term, including existing payments to suppliers, employees, banks and lenders.
- ➔ Return on investment and company valuation.
- ➔ The ability of the RCF to support acquisitions.
- ➔ Shareholder, client, supplier and employee perspectives on what the use of the RCF would be – ie growth or operational shortfalls.
- ➔ Any potential personal guarantees required.
- ➔ Any potential impact on credit rating.

Who did the Board engage with in making its decision?

- ➔ The Board reviewed a comprehensive business case compiled by management, which detailed a rigorous market test and fundraising process. A confidential, anonymised document was shared with 25 UK and international banks, outlining the Group's intention to secure the RCF.
- ➔ A comprehensive Funding Document was prepared and dispatched to the interested lenders and individual meetings were conducted with them.
- ➔ Following these meetings, the CFO and Group Financial Controller produced a Consensus Term Sheet with approval from the plc Board, setting out the main terms of the deal.
- ➔ The proposals from each lender were scored against the Group's objectives.

The Strategic report is approved by the Board of Directors and signed on behalf of the plc Board on 17 September 2025 by Kevin Corbett, General Counsel & Company Secretary.

fc5

Chair's review

Consistently delivering strong, sustainable results



Our strong corporate governance framework is pivotal to the delivery of our strategy, enabling the Board to monitor and review all areas of significance and provide the right information to facilitate effective decision-making.”

Alison Wood
Chair

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It gives me great pleasure to present the company's corporate governance report for the financial year ended 30 June 2025 and to report on the progress made since our Sustainable Growth Strategy was announced in 2021. This year's strong set of financial results, with revenue and adjusted profit before tax up 6.3% and 28.6% respectively, builds on the ambitious accelerated resetting of our strategic objectives to 2030 implemented last year and demonstrates the solid foundations upon which our strategy is embedded.

The Board recognises it must balance financial performance with the needs of all stakeholders, and the ways in which the Board engages and is influenced by our workforce and other stakeholders can be found on pages 93 to 94.

Details of key Board activities during the financial year are outlined in this report. Those of particular note include monitoring the execution of the revised strategic objectives to 2030; supporting the introduction of new members of the plc and Executive boards; delivering a second share buyback programme; introducing a £25m Revolving Credit Facility; reviewing the IT and cyber security strategy; and supporting the updating of a range of employee benefits.

i More information regarding our strategy can be found on pages 1 to 81.

Board and leadership changes

This year saw significant changes to the Board, with Kris Hampson joining as Chief Financial Officer on 2 September 2024, following the departure of Andrew Duxbury in May 2024. Kris has a strong financial background and extensive acquisition experience, having come from a FTSE 100 listed global business where he held several senior financial roles. I and the other Board members would also like to thank Bill for taking on the additional responsibilities required to oversee the Group's financial performance and deliver the 2024 full-year results, pending Kris joining the company.

The other notable change was Marisa Cassoni, Non-executive Director and Chair of the Audit Committee, stepping down on 28 November 2024. On behalf of the Board, I wish to thank Marisa for her valuable contribution and committed service to the Group, and wish her well in the future. Marisa served for six years on the Board, during which time she held the roles of Senior Independent Non-executive Director and Chair of the Audit and Remuneration Committees. During her tenure Marisa oversaw a rights issue, the disposal of the Group's housebuilding business, the performance of the Group over the Covid pandemic and, more recently, several strategic business acquisitions and disposals to strengthen the Environment business.

Kevin Boyd, who joined as a Non-executive Director on 1 March 2024, assumed the role of Senior Independent Non-executive Director and Chair of the Audit Committee on 28 November 2024, following Marisa's departure.

In line with the UK Corporate Governance Code (the Code), all directors will stand for re-appointment or re-election at the 2025 AGM. The directors' performance continues to be effective, and each director clearly demonstrates their commitment to the role.

Director biographies, their respective responsibilities and their external directorships are set out from page 88.

David Lowery was appointed on 1 July 2024 as an Executive Board member and as Managing Director of Infrastructure (comprising Highways and Environment). David was previously Managing Director of the Highways business and is an example of our senior management succession plan coming to fruition. Thomas Faulkner was appointed on 15 September 2025 as successor to Mark Baxter, Executive Board member and Managing Director of Specialist Services, following Mark's decision to retire at the end of 2026. Thomas will take over Mark's role in a phased manner, ensuring continuity of operations.

The Nomination Committee held its annual review of succession plans for the Board and senior management roles. This enables business continuity and the further progression of the talent pool, to ensure it contains the right skills mix and experience to deliver our strategies and develop future leaders.

Board performance evaluation

In March this year, the Board undertook its externally facilitated evaluation, which the Code requires to be carried out at least every three years. The findings were positive overall, noting the non-executive directors are highly experienced individuals with a wealth of valuable skills and a broad range of capabilities, which are appropriate to delivering the Group's strategy, and who understand the needs of stakeholders.

The Board is considered to be highly agile and responsive and operates effectively. The continued integration of the new Chief Financial Officer and further embedding of working relations among the Board, while providing a supportive culture that allows effective challenge to senior management, will help ensure the Board continues to perform well in future. Details of the Board review can be found on page 95.

Equity, diversity and inclusion (EDI)

The Board fully supports the Financial Conduct Authority's (FCA) targets regarding gender and ethnic diversity on Boards and within senior leadership teams. As a female Chair myself, and with Sally Boyle being Chair of the Remuneration Committee, we are proud of the company's strategies to improve in this area but are aware more work is required. Following Marisa's departure and the successful succession plan enabling Kevin's appointment, due to his experience, knowledge and skill set, we are no longer fully compliant with the FCA's EDI targets. For the first time since 2020, the Board meets only one of the three EDI recommendations, which is for a woman to hold at least one of the senior Board positions, and our gender balance on the Board has fallen to 33%. Information on our strategies and disclosures can be found on pages 92 and 99.

The Board continues to oversee and monitor the work to improve gender and ethnic diversity within our senior management team and the wider workforce and there are several strategies in place to support this. New initiatives include the internal EDI team running inclusive leadership education and awareness workshops for senior leadership teams, a pilot mentoring programme to inspire women to consider a career in construction and a survey of all women across the business, to research and better understand the barriers they have experienced. We also continue to partner with Clear Company, a global diversity and inclusion specialist, to ensure we have robust and aligned retention and recruitment practices, to help develop the company as an inclusive environment for all employees. Please see our People section on pages 28 to 31.

Implementation of changes to the UK Corporate Governance Code

The Board is monitoring and reviewing the implementation of changes required under the UK Corporate Governance Code, in particular to Provision 29, which covers the risk management and internal control framework. To ensure compliance with the new requirements in our financial reporting period ending 30 June 2027, the company has set up a focused working group supported by external consultants, who meet regularly and are following a clear timetable and matrix of actions. Further details can be found on page 101.

The Board evaluation process, together with reviews at the Audit Committee meetings and the annual review in September, confirmed the Board's view that the Group's system of internal controls operated effectively during the financial year.

Environment and climate change

The Board recognises the importance to the long-term sustainability of the business of minimising our environmental impact as well as managing the transition to a low-carbon economy. We continue to prioritise investment in people, processes and systems to enhance the quality of our carbon measurement and reporting, and to drive performance improvements to reduce our carbon emissions. Progress in the financial year includes achieving PAS 2080 Carbon Management in Buildings and Infrastructure accreditation, developing a carbon reporting and analytics platform, and increasingly the number of our company car fleet being electric or plug-in hybrid vehicles.

The digital and technology landscape

As businesses become more digital and technology driven, the impact of having reliable, secure, integrated systems cannot be underestimated. The Board continues to oversee and monitor closely the investment in the Group's systems, software and digital capabilities, to ensure these are strong, robust and fit for purpose and allow maximum cost efficiencies to be gained. Cyber security is taken very seriously at all levels of the business and the Group has various strategies in place to ensure maximum protection at all times.

Annual General Meeting (AGM)

The company will hold its 2025 AGM on Thursday 13 November 2025 at the offices of Peel Hunt LLP, 7th Floor, 100 Liverpool Street, London EC2M 2AT at 11.00 am, where the Board will be pleased to welcome shareholders, answer questions and encourage shareholders' participation. If you are unable to attend in person, please send in any questions relevant to the AGM to the General Counsel & Company Secretary at kevin.corbett@gallifordtry.co.uk.

On behalf of the Board, we look forward to meeting with shareholders at the AGM.



Alison Wood
Chair



Governance at a glance

Framework, responsibilities and activities

Group governance structure

Board

Promotes our long-term sustainable success.
Approves strategy, monitors progress, sets culture and ensures a robust control environment, effective risk management and good corporate governance.

Board Committees

Audit Committee

Oversees financial reporting, internal control and risk management, external audit and whistleblowing.

Nomination Committee

Oversees Board and Committee composition, succession planning and the Board evaluation.

Remuneration Committee

Designs Executive and senior management remuneration and ensures workforce remuneration supports long-term success.

Other Committees reporting to the Board

Executive Board

Oversees operational management and implements Board-approved strategy and policies.

Executive Risk Committee

Assists with monitoring and updating the Group's principal, emerging and climate-related risks.

ESG Committee

Co-ordinates and oversees carbon reduction initiatives, social value practices and stakeholder relationships.

Employee Forum

Provides a valuable two-way communication channel between employees and the Board.

Key Board responsibilities

Role	Responsibilities
Chair	Leads the Board, sets the Group's purpose, direction and values, and ensures high standards of corporate governance. Facilitates constructive Board relations and effective contribution of non-executive directors, and ensures directors receive accurate, timely and clear information.
Chief Executive	Develops the Group's objectives, strategy, budgets and strategic financial plans, and provides day-to-day executive leadership and management of the business, including major investments, projects, proposals and bids, managing risk, and communicating with shareholders and other stakeholders.
Senior Independent Director	Acts as adviser and sounding board for the Chair and the other non-executive directors. Evaluates the Chair's performance, and is an alternative point of contact for shareholders, executive directors and senior management.
Non-executive directors	Provide an independent view on the running of our business, governance and boardroom best practice, overseeing and constructively challenging management's implementation of strategy and Group performance.
General Counsel & Company Secretary	Ensures the Board receives high-quality and timely papers, advises on all governance matters, works with the Chair and Committee chairs to ensure the right matters are escalated to the Board and Committees at the appropriate time, oversees Board induction and evaluation arrangements, supports succession planning and the recruitment of new non-executive directors.

The Board Committees' terms of reference and detailed descriptions of the roles of the Chair, Chief Executive and Senior Independent Director can be found on our website at: <https://www.gallifordtry.co.uk/investors/governance-and-policies/>.

Key Board activities in 2024/25

Review of strategy:	➤ Reviewed the progress towards key milestones, following the reset and acceleration of sustainable growth targets to 2030 in May 2024. ➤ Continued to monitor and oversee the delivery of solid and controlled growth in our core markets. ➤ Continued to oversee initiatives to deliver growth in higher-margin adjacent markets by strengthening specialised capabilities in key areas, winning new strategic contracts and re-establishing relationships in the affordable homes market.
Board and Executive succession planning:	➤ Approved appointment of new Chief Financial Officer to the Board. ➤ Approved appointment of new Managing Director of Infrastructure to the Executive Board. ➤ Oversaw and supported the induction of the new Chief Financial Officer and new Executive Board member. ➤ Implemented the planned change of Senior Independent Director.
Financial and operational overview:	➤ Received in-depth reviews of budget, revenue and cash flow, and focused on margins to deliver financial growth, maintain robust discipline and maximise financial performance. ➤ Introduced a new £25m Revolving Credit Facility to provide additional financial agility. ➤ Continued monitoring of investment in systems, software and digital capabilities.
Return to investors:	➤ Launched a second capital return programme to shareholders, which, along with the sustainable dividend policy and reinvestment in the business, is delivering the capital allocation strategy.
Employees:	➤ Oversaw the updating of a range of employee benefits.



Board changes during 2024/25

- ➔ Kris Hampson joined as Chief Financial Officer on 2 September 2024.
- ➔ Marisa Cassoni retired as Senior Independent Non-executive Director and Chair of the Audit Committee on 28 November 2024.
- ➔ Kevin Boyd was appointed Senior Independent Non-executive Director and Chair of the Audit Committee on 28 November 2024.

Board priorities for 2025/26

- ➔ Further embed and monitor the execution of the revised strategic objectives to 2030.
- ➔ Oversee the continued development of senior management succession planning.
- ➔ Consider and implement recommendations arising from the externally facilitated Board performance evaluation.
- ➔ Review and implement the 2024 UK Corporate Governance Code reforms.

Your Board at a glance



Board balance of roles	
Executive	2
Non-executive	4



Gender diversity	
Men	4
Women	2



Ethnic diversity	
White	6
Ethnically diverse	0



Board tenure	
0-2 years	3
3-5 years	3
6-10 years	0

As at 30 June 2025.

Board Skills Matrix

	Alison Wood	Bill Hocking	Kris Hampson	Kevin Boyd	Sally Boyle	Michael Topham
Business ethics and integrity	•	•	•	•	•	•
Construction	•	•				•
Commercial	•	•	•	•	•	•
Finance	•	•	•	•	•	•
Governance	•	•	•	•	•	•
Human resources		•	•		•	•
Strategy and risk	•	•	•	•	•	•

2024/25 Board and Committee meetings attendance table

Number of meetings (attended/scheduled)	Board	Audit Committee	Nomination Committee	Remuneration Committee
Alison Wood Chair	9/9	by invitation	2/2	4/4
Bill Hocking Chief Executive	9/9	by invitation	by invitation	by invitation
Kris Hampson¹ Chief Financial Officer	7/9	by invitation	n/a	n/a
Sally Boyle Non-executive Director	8/9	4/4	2/2	4/4
Michael Topham Non-executive Director	9/9	4/4	2/2	4/4
Kevin Boyd Non-executive Director	8/9	3/4	2/2	3/4
Kevin Corbett General Counsel & Company Secretary	9/9	4/4	2/2	4/4
Former Directors				
Marisa Cassoni² Former Senior Independent Director	5/9	2/4	1/2	3/4

- 1 Kris Hampson was appointed as Chief Financial Officer on 2 September 2024 and attended all but one of the scheduled Board meetings from this date to the year end.
- 2 Marisa Cassoni resigned on 28 November 2024 and attended all scheduled Board and Committee meetings during the financial year until her departure.

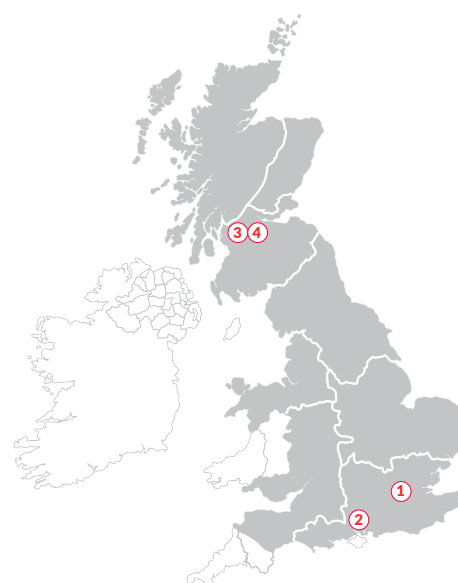
Around the business

The Board carried out four site visits to see firsthand the working conditions on site, see health and safety procedures in action, discuss with employees their experiences and listen to senior leaders about the on-site working challenges they face.

- ① Adelaide House, London
- ② Otterbourne, Southampton
- ③ The Environmental Factory, Renfrewshire, Scotland
- ④ Paisley Grammar School, Renfrewshire, Scotland



Location of Board site visits around the UK



i For further information of the Board site visits see page 91.



Directors and Executive Board

Our Board and Leadership

Our Board

Alison Wood
Chair



Appointment date: Alison joined the Board on 1 April 2022 and was appointed as Chair on 21 September 2022.

Skills and experience: Substantial strategic planning, mergers and acquisitions and business development experience gained through a number of roles including Global Director of Strategy and Corporate Development at National Grid plc and Group Strategic Development Director at BAE Systems plc. Extensive leadership and governance experience, having served as Chair, Senior Independent Director and Remuneration Committee Chair in several FTSE 350 companies. Has a background in engineering, economics and management and has extensive corporate experience with international leading engineering companies.

External appointments: Senior Independent Non-executive Director and Chair of the Remuneration Committee at Oxford Instruments PLC. Senior Independent Non-executive Director at Morgan Advanced Materials plc.

Kevin Boyd
Senior Independent Director



Appointment date: Kevin was appointed to the Board on 1 March 2024.

Skills and experience: Extensive listed public company experience, to help strengthen the Board's independence. Acts as a solid advisory base to others on the Board. Strong background both in the UK and overseas, with operational and strategic expertise. Substantial leadership experience, having previously worked as Chief Financial Officer of Spirax Group plc, Oxford Instruments plc and Radstone Technology plc, as well as a number of non-executive roles. A Fellow of the Institute of Chartered Accountants and the Institute of Engineering and Technology.

External appointments: Chair and Non-executive Director of Genuit Group plc. Audit Committee Chair and Non-executive Director of Bodycote plc.

Bill Hocking
Chief Executive



Appointment date: Bill was appointed as Chief Executive on 3 January 2020.

Skills and experience: An effective leader, having held a range of senior leadership positions including Chief Executive of Galliford Try plc, Chief Executive of Galliford Try's Construction and Investment division and Executive Vice President at Skanska UK plc. Substantial experience of strategic planning development and implementation. Significant commercial and operational experience and strong track record of delivering operational and financial results. Extremely knowledgeable of the construction industry, with over 35 years of experience as a civil engineer.

Kris Hampson
Chief Financial Officer



Appointment date: Kris was appointed to the Board on 2 September 2024.

Skills and experience: Extensive strategic development and mergers and acquisitions experience. Significant international financial experience in listed B2B environments. Broad range of strategic, financial and project management leadership experience, having held a number of finance roles with Rentokil Initial plc and Ford Motor Company. A prize-winning chartered accountant with over 20 years' experience and a Fellow of the Institute of Chartered Accountants.

Sally Boyle
Non-executive Director



Appointment date: Sally was appointed to the Board on 1 May 2022.

Skills and experience: Broad governance and significant HR and remuneration expertise, along with extensive financial services experience. Significant leadership experience gained through a range of roles including International Head of Human Capital Management at Goldman Sachs and as a member of the Goldman Sachs International Board and Management Committee. Highly experienced and knowledgeable employment lawyer, with UK and international human resources expertise.

External appointments: Non-executive Director of Cambridge University Press & Assessment. Non-executive Director at Evelyn Partners LLP.

Michael Topham
Non-executive Director



Appointment date: Michael was appointed to the Board on 1 June 2023.

Skills and experience: Strong strategic planning and mergers and acquisitions experience. Significant leadership experience gained through role of Chief Executive Officer of Biffa and previously Chief Financial Officer and Divisional Managing Director. A solid financial background and experienced in delivering commercial and operational growth. A chartered accountant, having trained with PwC.

External appointments: Chief Executive of Biffa. Chair of the Environmental Services Association.

Board Committee membership

Audit Committee Nomination Committee Remuneration Committee Executive Board Chair

As at 30 June 2025.

For the Board Skills Matrix, please see page 86.

Executive Board members

Kevin Corbett
General Counsel & Company Secretary



Appointment date: Kevin joined the Executive Board on 1 February 2012 and was appointed General Counsel & Company Secretary on 1 March 2012.

Skills and experience: A solicitor and chartered civil and structural engineer who has held numerous senior leadership roles, both UK and international-focused, including Chief Counsel Global for AECOM. A broad skill set of construction and corporate law, finance, governance, strategy and corporate secretarial practice. Extensive knowledge and experience of dealing with complex commercial legal matters and corporate transactions. A trusted advisor to the Chair, Chief Executive and Non-executive Directors.

External appointments: Non-executive Director of the Construction Industry Council and the construction industry charity, CRASH.

Vikki Skene
HR Director



Appointment date: Vikki joined the Executive Board on 3 January 2020.

Skills and experience: Over 20 years' experience as a senior HR leader, primarily in the construction industry and holding directorship roles in both Balfour Beatty and Galliford Try. Experienced in the strategic development and building of HR teams to deliver high-quality HR services to the company and its employees. A passion for proactively supporting learning and development, to support employees with further developing their careers. Oversees policies and processes to embed an agile and inclusive working culture, to provide access to working in construction to all groups in the working population.

Ian Jubb
Managing Director, Building



Appointment date: Ian was appointed to the Executive Board on 3 January 2020.

Skills and experience: Over 40 years' experience in the construction industry, the last 20 years at director level, with senior positions with Miller Construction and Taylor Woodrow. A strong leader, experienced in leading diverse teams to consistently deliver complex projects throughout the UK. Proven track record of significant margin growth delivery. Demonstrated ability to achieve successful business integrations, process improvements and restructuring.

Mark Baxter
Managing Director, Specialist Services



Appointment date: Mark was appointed to the Executive Board on 3 January 2020.

Skills and experience: A chartered accountant with a wealth of experience in the construction industry, gained through numerous directorial and senior commercial roles in Galliford Try and Miller Construction. Extensive knowledge of a wide range of government-backed finance schemes, including public private partnerships and private finance initiatives, to delivery complex projects for various public sector bodies. Excellent project management and leadership skills, successfully delivering projects from inception through construction, development and into full operations. Experience of driving long-term value over the life span of a project and developing investment portfolios and joint venture capability.

David Lowery
Managing Director, Infrastructure



Appointment date: David was appointed to the Executive Board on 1 July 2024.

Skills and experience: Highly accomplished chartered construction professional and civil engineer, with 25 years' national and international industry experience across multiple sectors. Dynamic business leader with significant strategy development, business planning and policy-setting skills, to drive cultural and organisational change. Extensive experience in leading and delivering complex major projects with a focus on sustainable, cash-backed and profitable outcomes. Proven track record of leading and developing diverse, high-performing teams to deliver customer satisfaction and shareholder value. More recently, integrated three of the Company's latest acquisitions to develop specialist services to the environment sector and support the Group's Sustainable Growth Strategy.

New Executive Board member

Thomas Faulkner
Managing Director, Specialist Services



Appointment date: Thomas joined the Executive Board on 15 September 2025.

Skills and experience: Thomas is a chartered civil engineer with 30 years of experience in construction. He most recently spent 10 years as UK Executive Vice President at Skanska and has a strong background in the infrastructure sector, covering water, environment, highways, rail and specialist services.

Thomas will succeed Mark Baxter, Executive Board member and Managing Director of Specialist Services, taking up his new role in a phased manner, leading to Mark's retirement at the end of 2026.

The Executive Board members above are not members/directors of the plc Board.
As at 17 September 2025.

Governance review

Our Board's year – activities and site visits

Board timeline of key activities

The timeline shows key examples of how the Board addressed the matters it is responsible for throughout the financial year.

2024

July	➔ Board and Committee meetings. ➔ Reviewed and agreed annual budget, ensuring sufficient resources in place to achieve objectives. ➔ Approved trading update. ➔ Announced appointment of Kris Hampson, Chief Financial Officer. ➔ Board site visit to Adelaide House – a Building project.
September	➔ Board and Committee meetings. ➔ Approved delay of financial results.



October	➔ Board meeting. ➔ Approved the 2024 financial results announcement. ➔ Proposed the 2024 final dividend payment. ➔ Approved announcement of a second £10m share buyback programme. ➔ Approved the revised AGM date. ➔ Approved the appointment of Kevin Boyd as Senior Independent Director. ➔ Approved enhanced pension, maternity and paternity policies. ➔ Board site visit to Otterbourne in Southampton – an Environment project.
November	➔ Board meeting. ➔ Annual review of health and safety strategy and performance. ➔ AGM held.
December	➔ Board and Committee meetings. ➔ Review of IT and cyber security arrangements.

2025

February	➔ Board and Committee meetings. ➔ Approved the 2024/25 half-year financial results announcement. ➔ Approved the 2024/25 interim dividend payment. ➔ Approved new £25m unsecured Revolving Credit Facility.
April	➔ Board meeting and Strategic Review. ➔ Conducted a strategic and financial review. ➔ Held deep dive business review sessions with Executive Board members. ➔ Reviewed and discussed health and safety and sustainability reports. ➔ Reviewed and discussed people and succession planning. ➔ Board site visit to The Environmental Factory in Paisley, Renfrewshire – an Environment project. ➔ Board site visit to Paisley Grammar School, Renfrewshire – a Building project.
May	➔ Board and Committee meetings. ➔ Board and Committee performance evaluation review. ➔ Update on strategic review. ➔ Non-executive directors-only meeting held.

Delegated authorities

The table below summarises the matters reserved for the Board and those it delegates to management, which are reviewed annually.

Matters reserved for the Board	Matters delegated to management
Group values and standards	Operational management of Group
Group strategy, business plans and annual budgets	Implementation of Group policies
Acquisitions, disposals and contracts over a prescribed value	Allocation of Group resources
Material joint arrangements	Contracts up to a prescribed value
Approval of Group policies	Management succession planning
Material changes to Group share capital	Risk management
Group borrowing facilities	
Approval of circulars and financial reports	

Site visits

Board visits align the Board's vision with operational reality, provides first-hand oversight, and fosters a stronger connection between leadership and the teams driving the business every day.

July 2024

Adelaide House, London Bridge, London

The Board visited the Building project Adelaide House, London Bridge, to review the progress made on the extensive remodelling and refurbishment of the Grade II-listed, nine-storey, contemporary office space. The Board also met with senior management and staff to engage with the workforce, gain an understanding of how health and safety is applied and a deeper knowledge of the challenges faced by the operational site teams.

April 2025

The Environmental Factory, Paisley, Renfrewshire

The Board visited the Group's new manufacturing facility to see the progress made with its strategic commitment to invest and expand further in the Environment division. The centre contains 640sqm of modern, manufacturing space and, due to its location, and by bringing together three in-house industry-related businesses in the same facility, it enables a more customer-focused service to be provided to clients, including additional off-site build capabilities. Visiting the site enabled the Board to review the health and safety differences between a manufacturing facility and a construction site, to meet employees new to the Group and better understand some of the technical aspects of the Environment projects undertaken.

April 2025

Paisley Grammar School, Renfrewshire

The Board visited this £69m campus, built to provide educational facilities to 1,380 pupils, including all-weather sports pitches and a 300-seat theatre and performing space. The Board met the senior management team and discussed the innovative design techniques used in the project, including the use of 'green steel', a steelmaking process that significantly reduces carbon dioxide emissions, and the use of a test rig system developed in collaboration with BE-ST, which enabled external details to be tested prior to installation on site. Several staff on the project had also come through the trainee/graduate training programme, enabling the Board to discuss culture, training, human resources planning and health and safety matters with staff.



October 2024

Otterbourne Water Supply Works

The Board visited the Otterbourne Water Supply Works site, part of an Environment project, and discussed the importance of long-term strategic relationships with clients operating contractual framework systems over several years. The Board was also shown the innovations utilised within the design and how the cross-selling of products and services provided by other Galliford Try businesses enabled the work to be carried out more efficiently. The importance of strong, reliable supply chain relationships for such work was also considered.

April 2025

Strategy Review Board Meeting

The Board held its two-day strategic review meeting in April to assess progress made during the year and discuss the key areas and further plans to achieve the Group's 2030 strategic objectives. In addition to financial performance, the areas considered included: horizon scanning opportunities within key market sectors and the Government's approach to various projects and funding commitments; and in-depth discussions with each divisional Managing Director regarding strategy, prospects, clients and the challenges faced, as well as focusing on ways to become further embedded within key markets, achieve higher margins, expand the geographical footprint and increase internal cross-selling opportunities.

A presentation on the Group's health and safety performance and the strong progress made since 2020 was discussed and a deep dive was undertaken into carbon and climate change matters, including the Group's overall approach in this area, the progress made on its milestone targets for reductions to 2030 and consideration of such targets for its stakeholders. People and succession planning were also discussed, to ensure a pipeline of the right skills was being developed, as well as staff recruitment and training initiatives.



Governance review (continued)

Our Board's year – focus areas in detail

The Board is responsible for setting the Group's strategy and overseeing its implementation by monitoring and reviewing its performance against its strategic objectives to meet the needs of its key stakeholders.

It does this in a variety of ways, including holding Board and Committee meetings throughout the year, where it is provided with reports and presentations from the Chief Executive, Chief Financial Officer and other senior management, to ensure it has the right information at the right time to enable strategic decisions, policies and other key updates to be fully discussed. These meetings are complemented by regular site visits, which enable directors to gain a firsthand insight into our culture, and meetings with investors and shareholders such as at the AGM.

The Chair, supported by the General Counsel & Company Secretary, ensures the meeting agenda is carefully structured to include strategic and operational matters and various standing items such as reports on health, safety and environment (HSE), sustainability, share price performance, market analysis and shareholder feedback, and employee insights and feedback. The agenda is also structured to allow time for open discussion, which builds in scope and flexibility to discuss any other matters.

The Board also receives updates and in-depth reports from external advisers on specialist matters, as necessary.

The non-executive directors provide independent insight gained from a breadth of skills and experience to support and challenge the executive directors, and all Board members are encouraged to continue their own professional development to ensure their working and best practice knowledge remains up to date.

Delivering and implementing strategy



The Board reviewed progress against its strategic objectives for the year and to 2030 in each of its businesses, including delivering organic growth in its existing core markets in Building and Infrastructure, with the focus on continuing to deliver and expand into key market sectors, the importance of contract selections with the right risk profile and on delivering quality, sustainable products to clients.

For the Specialist Services businesses, the focus was on developing further growth for the recently acquired nmcn, MCS Control Systems, Ham Baker and AVRS businesses, as the highly specialised work attracts higher margins, and builds further on inter-company cross-selling opportunities. For Environment, attention was directed towards winning further lots on new framework opportunities as they come up for renewal during the year, with achievements including being appointed to the new Southern Water Capital Programme Strategic Delivery Partner Framework as part of the AMP8 investment cycle and to Lots 1 and 3 of the Wessex Water Capital Delivery Framework AMP8.

Sustainability



The Board has delegated responsibility for operational oversight of ESG matters to the ESG Committee chaired by the Chief Financial Officer. Through the Chair, the Board maintains strategic oversight by receiving updates from the ESG Committee, including reviewing minutes of all meetings of the Committee, monitoring performance against the Group's sustainability commitments and targets, and reviewing key external ESG disclosures, such as our climate-related risks and opportunities. The Board also received a presentation on the progress the company is making against our net zero targets and the actions being taken to reduce emissions. See page 22 in the Strategic report for further information on the ESG Committee.

Culture, resources and people



The Code of Conduct 'Doing the Right Thing' sets out our overall organisational policies and procedures and defines expected behaviours. Group policies define our approach to managing health, safety, environmental and social matters. During the financial year, the Executive Board reviewed and refreshed the policies, procedures and authority matrices under which the central functions and businesses operate, with certain key policies published on our website. See page 94 for further information.

The health, safety and wellbeing of our employees is the number one priority for our business. At every Board meeting a health and safety update is provided by the Chief Executive, along with any trends or new initiatives being carried out to further enhance health and safety standards. Once a year, the HSE director presents to the Board to enable a deep dive review to be carried out. This year, due to the excellent health and safety statistics achieved across the business, a further review of health and safety targets was discussed to evaluate whether they should be raised in order to drive standards even higher.

To deliver on its commitment to support suppliers, the company applied for the Fair Payment Code (which replaced the Prompt Payment Code) and was awarded the Bronze level for paying at least 95% of all invoices in 60 days.

A key element of the people strategy is to ensure good succession planning is in place and that career opportunities are available for all. A review of talent and succession planning of key management positions is carried out twice a year and internal advancements made where appropriate.

Our strategy is to be a people-orientated, progressive employer driven by values and, during the year, the Board supported and monitored the implementation of a range of initiatives to further embed work on improving the EDI culture in the company, including a pulse survey to research barriers to women working in construction, a pilot mentoring programme on inspiring women into construction and rolling out an EDI course to all senior leaders within the business.

The Board values its employees and fully supports the agile-working policy that enables job opportunities within the company to be available to a wider population. As part of our Retain and Gain people strategy, the Board supported enhancements to a range of family-friendly policies including increased maternity, adoption and paternity benefits and a returner bonus for those returning from maternity leave. See page 30 in the People section for further information.

The Employee Forum takes place at least twice a year and is chaired by the Chair of the Remuneration Committee, to hear firsthand the experiences of employees. See page 94 for more information.

Financial oversight



At each meeting the Board reviews the Group's financial performance and key metrics such as revenue, margin growth, earnings and cash management, to ensure these are being maximised and are delivering in line with budget and forecast.

The focus of capital allocation is to prioritise a strong balance sheet to support internal operations, reinvestment in the business and new adjacent markets to support organic growth and consider the external market opportunities for further growth. Such strength gives stability and confidence to employees, clients and the supply chain to move forward with the business.

During the financial year the Board delivered on its commitment to return excess cash to shareholders through its second share buyback programme of £10m and operates a sustainable dividend policy in line with earnings growth, so shareholders are rewarded for their investment in the company.

The Board agreed to enter into a Revolving Credit Facility of up to £25m to ensure added agility and flexibility via ongoing access to additional cash resources.

The Board also reviewed and agreed the Group's approach to risk and principal risk management, and the work carried out by the internal audit team.

The Board received a deep-dive report into the Group's software, technology infrastructure and digital security, to help it oversee and monitor the current systems in place and ensure they remain fit for purpose. Following the further integration of the Group's new, cloud-based, resource planning system last year, a simplified secure network was now in place, generating cost efficiencies through improved system integration and better planning support for internal teams. With the additional information provided by the system, more data analysis is carried out, enabling enhanced management focus and improved performance measures.

The Board has always taken cyber security very seriously and to further strengthen resilience against a possible cyber attack, the Board has overseen a number of enhancements to its digital security measures including: updating the cyber security strategy and incident response plan; increasing the internal cyber team; producing short video messages for staff to promote awareness of possible cyber attacks; the all-employee cyber e-learning course being rewritten and strengthened; more frequent and complex phishing test simulations; and amendments to HR policies to increase the consequences for employees who continually fail internal phishing tests.

Board engagement with shareholders



Our shareholders consist of global investment funds and institutions based primarily in the UK, UK regional funds, and retail and small private investors, which include current and former colleagues. In line with the Code, the Board is committed to maintaining regular contact and engagement with shareholders, to ensure it has a clear understanding of their views on the Company's governance, performance against strategy and other significant matters. It does this in a variety of ways, to reach as many current and potential shareholders and analysts as possible.

Board information flow regarding investor views – The Board is kept informed on investor relations matters through updates at Board meetings, feedback from investor meetings, detailed reporting from its external investor relations consultants, presentations from corporate brokers, monitoring its share price and events in its key markets, and receiving questions and feedback from investors and analysts throughout the year.

The Board approved its investor relations strategy, which included: educating stakeholders about the industry; increasing share demand by further raising the Company's profile and targeting new investor and sales desks; increasing liquidity through extended quality sell coverage opportunities; and increasing communication methods with institutional shareholders, analysts and retail shareholders.

Institutional investors and analysts – There are several ways in which the Board engages directly with investors and analysts across the financial reporting calendar. The Chief Executive and Chief Financial Officer regularly meet with existing and prospective institutional shareholders and make themselves available for conferences and ad hoc meeting requests throughout the financial year. Meetings were held with 48 institutional funds, including 21 shareholders who together represented circa 47% of the share register, as well as 27 potential investors, with increased interest from non-holders following the half-year results in March. In addition, the management team attended four investor conferences where there was an opportunity to meet UK and European institutional funds. The Company's brokers are proactively targeting new holders and organised two non-holder investor days outside of the results roadshows. Key areas of discussion included the Company's strategy and targets, dividend policy, capital allocation, future pipeline and ESG factors, as well as macro-economic factors such as inflation.

Four presentations were made to sales teams at UK investment banks, an important audience for ensuring the equity story is clearly articulated to their clients.

Management has also continued to focus on building strong regional investor relationships, engaging with a third-party specialist advisory business to schedule private client broker roadshows, arranging meetings with 16 retail investors in the year, and providing further research coverage.

Retail and prospective shareholders – The Board continued to run a targeted outreach programme aimed at retail and small private investors, who provide an important source of liquidity for the shares. Using the Proactive Investors platform, video interviews with the Chief Financial Officer are posted after each results announcement, supported by digital content following all news updates. The Executive Directors also present on the Investor Meet Company platform after each results announcement, giving retail shareholders an opportunity to engage directly with them.

Separately, the Chair undertakes regular engagement with shareholders and, as well as the Chair, the Senior Independent Director and other non-executive directors are available to attend meetings with shareholders and address any significant concerns which shareholders may have.

In addition, the Board adopts a culture of open communication with its shareholders throughout the year, with the Company Secretary ensuring full responses are provided to appropriate questions received.

The AGM provides a valuable opportunity for the Board to meet shareholders in person, answer their questions directly and provide information regarding company performance, strategy and policies. All shareholders are welcome and encouraged to attend. Details of this year's AGM can be found on page 83.

Governance review (continued)

Culture and Board effectiveness

Monitoring our culture



The Board recognises the importance of closely monitoring and assessing the Group's culture, acknowledges that this is a continuous process and is aware of the strengthening of the Code in this area to ensure desired cultures become embedded. The Board uses a range of methods to engage with employees to develop a positive and progressive culture and ensure that its policies, practices and desired behaviours are aligned with and support the delivery of its strategy, values and purpose. This is achieved via:

Site visits: During the financial year, the Board visited four varied sites, each containing a different project type, where they met site managers and staff, had an opportunity to discuss the project in detail, interacted with site employees and saw firsthand the working operations and health and safety procedures in place. Details can be found on page 91.

Management meetings: As part of the site visits, the Board met with a variety of senior managers, enabling the Board to hear their views directly, strengthening their understanding of the workplace environment and the impact of the policies and procedures put in place by the Board.

Employee survey: Each year a Group-wide employee engagement survey is conducted, with answers anonymised to enable full confidentiality. In general, the questions are similar to past surveys to enable comparisons with previous years and identify trends, but they are also updated where appropriate. The results of the survey are presented to the Executive and plc Boards. An action plan tailored for each business unit is then developed, implemented and communicated to the staff.

Employee Forum: This is a forum, chaired by the Chair of the Remuneration Committee, where employees meet to discuss workplace policies and procedures – further details opposite.

Inductions and the Code of Conduct: 'Doing the Right Thing' is the Group's formal Code of Conduct, which outlines the values and behaviours the Group expects of its staff and other stakeholders. This is also a focal point of the induction process for all new starters, to ensure the right approach and expectations are set and the right behaviours become embedded. During the financial year a new highly interactive induction process was developed, to provide a more positive experience and give guidance for new starters on ways to support their own development. Other initiatives to support such behaviours include management presentations, e-learning and on-site training.

Oversight and reporting: The Board is also kept up-to-date with regular reports and metrics on a range of key areas relating to culture, through direct presentations and reports, and via the Chief Executive's regular reports and other management meeting minutes. These include: a health and safety report showing key statistics, trends and any areas for improvement; and people-related data such as employee turnover and sickness rates. Whistleblowing and business ethics matters are also reported and considered.

Biannually the Board receives analyst presentations regarding the macro-economic environment, budget and Government policy, to ensure the Board is fully informed when making policies that may impact Company performance and staff.

Informal channels are also used, such as the general engagement and take-up of internal courses, feedback on Group briefings and questions arising from the Chief Executive roadshow.

Board engagement with our workforce



As a people-focused company, our employees are one of our greatest assets and the Board recognises the value that a progressive and committed workforce brings to the business. A combination of mechanisms, including the Employee Forum, are used to engage with the workforce and to ensure Board and staff communications remain effective.

Employee Forum

The Employee Forum gathers the views of staff to strengthen the 'employee voice' in the boardroom, enabling the Board to hear directly from employees on key matters by providing a two-way mechanism, while also gauging the impact of its employee-related policies and processes. Overall, the Employee Forum leads to better engagement with the workforce, acts as a representative body for communications with, and feedback from, employees about workplace policies and procedures, strengthens the internal communication process and supports good governance.

The Board has chosen one of the three methods suggested under Provision 5 of the Code, namely to have a designated non-executive director to chair the Employee Forum and Sally Boyle, our Non-executive Director and Chair of the Remuneration Committee undertakes that role. Other senior leaders also attend, including the General Counsel & Company Secretary, HR Director and Director of Group Communications, and the Employee Forum meets at least twice per year.

Employee representatives from a range of roles across the Company make up the Employee Forum. Employee membership is reviewed annually to ensure it remains fresh and continues to appropriately represent the workforce. The matters raised are discussed at Executive and plc Board meetings and the minutes of the meeting are included in the Board packs.

During the financial year, the Forum had an opportunity to listen to and discuss employees' views on a range of themes, including:

Business performance:

- Overview of business results and performance.
- Progress against the Group strategy in market sectors.
- Analyst views of business performance.

People updates:

- Salary review update.
- Results of employee engagement survey.
- Update and feedback on our People Pledge – Grow Together.
- Progress with equity, diversity and inclusion plans.
- Pension scheme review.
- Discussion of family-friendly policies.

Outcome:

Management considered employees' views and feedback and implemented some key initiatives:

- **Salary review** – the Board was mindful of the ongoing external pressures on the cost of living when carrying out the salary review.
- **Pension scheme review** – introduction of a new pension scheme for new and existing employees, to remove age-related pension contribution milestones. Existing employees are given the option to stay in the current scheme or move to the new scheme.
- **Family-friendly policy review** – further enhanced maternity and paternity benefits, including extending the payment of full pay for maternity leave and increasing the period of paid paternity leave. A returner bonus for those returning from maternity leave was also introduced.

i Board engagement with other stakeholders – see Strategic report on pages 76 to 79.

Board performance review: 2025 update and 2024 performance evaluation

In line with the Code, the Board reviews its own effectiveness and that of its Committees each year, with an externally facilitated review at least every third year (the last one being undertaken in 2022).

2025 Board effectiveness review

The 2025 Board evaluation process was externally facilitated by Clare Chalmers Limited (Clare Chalmers). The Board considers Clare Chalmers to be independent, as it has no other connection to Galliford Try or its Directors. The brief for the process was agreed with the Chair following a scoping meeting and the evaluation was undertaken throughout March and April 2025, with the findings presented to the May Board meeting.

The evaluation process with Clare Chalmers included:

- ➊ interviewing plc Board members and selected members of the Executive Board;
- ➋ an online questionnaire for all Board members and analysis of the results; and
- ➌ a report produced for the Board and discussion of findings at a Board meeting.

Clare Chalmers' report was positive about the functioning of the Board. Overall, the evaluation confirmed the Board and its Committees are continuing to operate effectively and the composition of the Board was appropriate for the size and structure of the business.

The report also included several recommendations and suggested actions, which were discussed with the Chair and General Counsel & Company Secretary, and presented to the Board meeting in May 2025. A number of key areas of focus were identified and agreed, as set out to the right. The Board will monitor progress against these and any ongoing areas of focus will form part of the 2026 internal evaluation.

Recommendations arising from 2025 Board effectiveness review include:

- ➊ **Composition:** composition and development of the Board, both non-executive and executive director roles, to continue to be an area of focus.
- ➋ **Succession:** carefully monitor the Group's overall non-executive director and management succession planning.
- ➌ **Mentoring:** further develop the regular interaction sessions of the Chair/Chief Executive and the Audit Committee Chair/Chief Financial Officer.
- ➍ **Stakeholders:** consider engagement with clients and key suppliers through site visits where appropriate.
- ➎ **KPIs:** refresh and simplify Board reporting together with appropriate measures to monitor performance.
- ➏ **Board topics:** develop a forward planner to include topics identified by the Board.

The Chair's performance is assessed through the annual Board evaluation process and through a separate annual meeting of the non-executive directors, led by the Senior Independent Director without the Chair present. In June 2025 the Senior Independent Director consulted with all Board members to discuss and evaluate the performance of the Chair and concluded the Chair was performing effectively.

The 2024 Board effectiveness review

The 2024 Board evaluation exercise was internally facilitated and the process followed those undertaken in previous years. The findings were presented to the May 2024 Board meeting and, as shown below, the Board has successfully addressed the actions arising from the effectiveness review in 2024:

Recommendation	Actions taken
Focus on strategy, monitor progress and development.	A deep dive into strategy for each business was carried out at the Board strategy day. Ongoing monitoring was continued throughout the year at each Board meeting, to review progress towards targets for the year and to the 2030 strategy.
Relationships: to continue to support new appointees to encourage questions, challenge senior management, ensure a culture of openness and debate is continued and allow time to evolve into their roles.	A thorough induction programme is in place for new Board members. Face-to-face time with each non-executive director was provided, as was time with key advisers and senior management. All existing members are aware of their role in providing advice and support to new members and new members are encouraged to challenge and debate on matters under discussion, and their views are welcomed.
Information: information on margin at project level to be provided in the financial papers.	The key contents to be included in commercial project approval papers were reviewed and changes implemented.
External auditors: to continue to work collaboratively with the external auditors to strengthen working relations, and to agree and implement strategies for improvement.	Earlier and more detailed timetabled planning has been put in place to assist the half-year review and full-year audit, which is also backed up with weekly meetings between the audit team and senior managers. Monthly meetings between the Audit partner and Chief Financial Officer are also in place and the external auditors presented at the Group's Finance Conference to improve visibility and understanding of their requirements.

UK Corporate Governance Code 2018 compliance

The Board confirms that during the financial year ended 30 June 2025, the Board has applied the Principles and complied with all the Provisions of the 2024 Code. With regard to Provision 29 (the monitoring of the Company's risk management and internal control framework and carrying out an annual review of its effectiveness), the Company is continuing to apply the 2018 Code in this area and has a working party in place to ensure compliance for the deadline in 2026 – see page 101 in the Annual Report.

The table below sets out where the required information can be found in this Annual Report.

Area of the code	Location	Area of the code	Location
Board leadership and company purpose		Composition, succession and evaluation	
Role of the Board	Pages 84-85, 90	Board and Committee composition	Pages 88-89
Purpose, values and strategy	Page 92	Director appointments and appointment process	Page 98
Board oversight of culture	Page 94	Succession planning	Page 98
Board decisions and outcomes	Page 85	Diversity, equity and inclusion	Pages 83, 92, 99
Stakeholder engagement, including shareholders and the workforce	Pages 92-94	Annual Board and Committee evaluation	Pages 95, 99, 101
Workforce policies and practices	Page 94	Role, composition and activities of the Nomination Committee	Page 97
Business model, opportunities and risks	Pages 58-74, 102	Director election and re-election	Page 82
Section 172 statement	Page 76	Audit, risk and internal control	
Whistleblowing	Page 103	Internal and external audit	Pages 101-102
Division of responsibilities		Integrity of financial and narrative statements	Page 127
Role of the Chair, Chief Executive and Senior Independent Director	Page 85	Fair, balanced and understandable assessment	Page 103
Division of responsibilities between the Board and management	Pages 85, 90	Risk management and internal control framework	Page 102
Non-executive directors' role and time commitments	Pages 85, 99	Role, composition and activities of the Audit Committee	Pages 100-101
Chair and non-executive director independence	Pages 85, 98	Directors' responsibilities	Pages 85, 100, 127
Role of the Senior Independent Director	Page 85	Emerging and principal risks	Pages 58-75, 102
Board and Committee meetings	Pages 87, 90	Effectiveness of the internal control framework	Page 102
Role of the General Counsel & Company Secretary	Page 85	Viability statement and going concern	Pages 75, 125
		Remuneration policy	
		Remuneration policy	Pages 105-114
		Role, composition and activities of the Remuneration Committee	Pages 104-105, 121
		Workforce remuneration	Page 114
		Non-executive director remuneration	Pages 110, 115, 122
		Remuneration consultant	Page 121
		Share schemes, including post-employment holding requirements	Pages 109-110, 112-118
		Use of discretion, and malus and clawback	Pages 107, 111
		Pension arrangements for executive directors	Page 108
		Notice periods and terms of appointment	Page 113

Nomination Committee report



Alison Wood
Nomination Committee Chair



- **Alison Wood**
Nomination Committee Chair
- **Kevin Boyd**
Senior Independent Director
- **Sally Boyle**
Non-executive Director
- **Michael Topham**
Non-executive Director

The Committee's main focus this year was to recommend the appointment and support the induction of Kris Hampson, Chief Financial Officer, who joined on 2 September 2024, and review and monitor the succession planning of our senior leadership team, following the successful internal appointment of David Lowery to the Executive Board on 1 July 2024, as the Board will do with Thomas Faulkner's appointment to succeed Mark Baxter (page 82). The Committee also oversaw other internal directorship changes, considered the progression of our key talent pool and supported the implementation of further and enhanced equity, diversity and inclusion (EDI) strategies.

Composition and remit

Further details of the Committee's members can be found on page 88. The majority of members are independent non-executive directors, complying with Provision 17 of the Code. During the financial year, the Committee reviewed its terms of reference in line with best practice, requiring only minor changes, and the current terms of reference can be found on the Group's website (www.gallifordtry.co.uk) or by scanning the QR code below.



Calendar of 2024/25 Committee activities and areas of focus

During the financial year, the Committee prioritised the activities and areas of focus set out below:

2024

- December**
- ➔ Succession planning for leadership roles at Executive level and key level below.
 - ➔ Employee talent pool review.
 - ➔ Impact of Retain and Gain strategies on the talent pipeline, including:
 - early careers resourcing;
 - review and update of the induction programme;
 - promotion of internal mobility programme;
 - EDI strategies;
 - research project on barriers faced by women in construction; and
 - learning and development, including promotion of ongoing learning.

2025

- May**
- ➔ Non-executive directors' appointment review and Board Committee membership.
 - ➔ Terms of reference review and approval.
 - ➔ Board and Board Committee externally facilitated performance review.
 - ➔ Executive Board performance review.
 - ➔ Monitor and review of senior leadership succession plans.
 - ➔ Impact of Retain and Gain strategies on the talent pipeline.

Nomination Committee report

continued

Board appointment process

The appointment of Kris Hampson, Chief Financial Officer, was announced on 11 July 2024 and, in line with all new appointments to the Board, was subject to formal, rigorous and transparent procedures. A full description of the process can be found on page 96 of the 2024 Annual Report.

Director induction process

All new directors undertake a comprehensive induction programme. The programme is tailored to take account of the individual's skills, knowledge and experience, and designed to ensure they feel supported and can operate effectively as early as possible. The induction programme includes a series of independent meetings with the Chair, the Chief Executive, the General Counsel & Company Secretary, other Board members, members of the Executive Board and meetings with senior leaders of wider support teams where appropriate to the role. In-depth information on all key areas is also provided, including the terms of reference of the Board and its key Committees and recent Board and Committee packs to ensure there is awareness of recent past events. These meetings are further supported by business briefings as well as site visits and introductions to key external advisers.



Kris Hampson's induction

Kris Hampson received a tailored and extensive three-month induction programme. This included business briefings and key materials on appointment, such as financial statements, trading updates and financial presentations. Kris also received share dealing, insider information and market abuse regime policies; governance structures such as Board and Committee Terms of Reference, roles of Board members and schedule of Board meetings; internal risk and audit plans, including risk registers; shareholder and investor relations information; key reports such as the Gender Pay Gap report; and a range of Group policies such as modern slavery, insurance and sustainability plans.

Board and Committee changes

Changes to the Board and its Committees are set out in the Chair's letter on pages 82 to 83 and details of the members of the Nomination Committee can be found on page 88.

Senior leadership succession planning

Succession planning at senior levels below the Board was a key area of focus for the Committee during the financial year. A detailed update was received from the HR Director on progress with implementing the Group's succession plan, noting that stable leadership teams were in place and identifying which key leadership positions had internal successor candidates. Timescales were identified for developing those coming forward, with coaching, training and development opportunities. Initiatives to support a diverse talent pool of employees who demonstrate a high potential for promotion were also discussed. The Group's employee Retain and Gain people strategy was further developed to ensure employees were proactively engaged and trained, to support staff retention. Other initiatives to increase diversity across our wider business included the Women in Construction research project and the Early Careers programme, including a pilot scheme to mentor the next generation, as noted in the People section of our Strategic report on page 28.

Review of the Board's composition

As at 30 June 2025, the Board comprised the Chair, three independent Non-executive Directors, the Chief Executive and the Chief Financial Officer. All Non-executive Directors, including the Chair, are independent

and provide challenge to the executive directors, leadership team and senior managers as appropriate.

The Committee reviews the composition of the Board and its Committees at least annually, as part of the Board performance review process. The Committee considered the balance of the directors' skills, experience, knowledge and diversity of opinion, to ensure each can continue to contribute to the Group's longer-term sustainable success and that, overall, the Board remains suitable for the Group's structure and can effectively deliver its strategy and objectives. The Committee also considered the directors' time commitments, to ensure they can continue to discharge their responsibilities effectively.

On reviewing the Group's size and structure, the Nomination Committee agreed it was not necessary to appoint a replacement for Marisa Cassoni on her planned departure on 28 November 2024, given the successful succession planning appointment of Kevin Boyd on 1 March 2024. The Committee found the composition and size of the Board and its Committees remain appropriate for the forthcoming year. Further details on the Board evaluation and its outcomes can be found on page 95.

The Board and its Committees' performance review

The externally facilitated performance review was carried out during the financial year and identified a small number of actions for the Committee, including the development of a more mature skills matrix to easily identify

- One-to-one meetings were held with the Chief Executive, the General Counsel & Company Secretary, the Chair and each Board member, to discuss Group strategy, areas of priority and any ongoing matters of significance, and to develop strong working relationships.
- Kris also had one-to-one meetings with each Executive Board member, to learn about their division and understand the strengths, opportunities and challenges in each area. In addition, Kris met the senior leaders of departments such as Health and Safety, IT, Group Communications and Technical and Quality, to understand how internal teams support the business functions.
- As required for all new starters, Kris has completed e-learning courses that ensure we have a common approach and set of values. These cover topics such as cyber security, data protection, workplace discrimination, competition law, tackling tax evasion and financial crime. Our Code of Conduct supports these courses by sharing our strong ethical standards and corporate values.
- As Chief Financial Officer, it is important for Kris to have a strong working relationship with the external auditor. He therefore had meetings with the external audit partner, to build this relationship and better understand the auditor's requirements. This was useful in understanding the delay to the release of the 2024 accounts and to help develop a working plan to assist the full-year audit process for 2025.
- Kris was also briefed on analyst and shareholder views and held meetings with the investor relations team and advisers.
- By the end of the financial year, Kris had toured every business unit and completed over a dozen site visits.

which skills and experience are well represented on the Board and which could be further strengthened to support business growth as directors rotate. The review concluded that the Nomination Committee remains effective and met its performance requirements for the financial year.

Culture of equity, diversity and inclusion

A key focus for the Committee is continuing to ensure EDI is embedded in the Sustainable Growth Strategy, to provide a supportive and progressive culture for all. The Committee fully supports the inclusion and diversity disclosures in the Listing Rules and ensures such matters are considered in all its policies and practices.

During the financial year, the Committee considered and monitored the further development of the EDI initiatives implemented last year. The outcomes of this included the roll-out of a planned Inclusive Leadership programme to senior leaders, business units and functional heads, and the development of an Active Bystander workshop for roll-out to all employees. This followed the creation of a dedicated inclusion team within the HR function in 2023, and continued working with Clear Company, an EDI and culture consultancy, which provides objective and constructive feedback and guidance on our retention and recruitment practices.

The Committee also considered an extensive range of EDI working practices, to ensure the Group can attract the best candidates from as wide a section of the population as possible. The practices include agile and hybrid working, and supporting industry initiatives such as the National Association of Women in Construction and the Supplier Diversity Group. The Group is also an accredited Disability Confident employer. In 2023 the Women in Construction research project was launched, focusing on the challenges women face in their careers, including the specific barriers faced in operational roles in construction, and the results of this survey have identified areas for further action. Further information on the EDI

initiatives implemented can be found in the People section commencing on page 28.

Statement on compliance of Board and Committee equity, diversity and inclusion

EDI is a key consideration when assessing the composition of the Board and its Committees, to ensure there are no barriers to attracting the best candidates, developing a diverse pipeline for succession and creating an inclusive environment. The Committee considers a broad definition of diversity when setting policies and appointing directors, which includes ethnicity, religion, socio-economic background, gender and sexual orientation, age, disability, partnership status, culture, personality and professional experience. As detailed above, the Committee continues to work hard to ensure the Board is sufficiently diverse to support its future strategic developments. However, while the Board considers diversity to be a key factor in its recruitment, the Board prioritises appointments on merit, which includes the candidate's skills and experience.

The Board is fully supportive and mindful of the Financial Conduct Authority (FCA) target for at least 40% of Board members to be female, for a woman to hold at least one of the senior Board positions and for at least one member of the Board to come from a minority ethnic background. In order to collect the data for the gender and ethnic diversity disclosures, the Board and its senior management team were each sent a series of questions to complete asking how they self-identify in each of the designated categories under the FCA Listing Rules disclosure.

The Board had complied with the two gender-related targets since 2021. However, following Marisa Cassoni's departure, the proportion of female Board members has fallen to 33%.

The Board therefore confirms that as at 30 June 2025 (being the reference date selected by the Board for the purposes of this disclosure), it does not fully comply with the UKLR 6.6.6R (9) (a) and the FTSE Women Leaders Review, as it does not meet the target for at least 40% Board

members to be female. With a female Chair of the Board, the company does comply with the requirement that a woman must hold at least one of the senior Board positions.

The company also does not presently meet the UKLR 6.6.6R(9)(a iii) (formerly Listing Rule 9.8.6R(9)) target to have at least one individual on its Board from a minority ethnic background and acknowledges that further work is required to become more ethnically diverse. In its most recent search for new appointees to the Board, the Committee expressly sought to identify candidates from a minority ethnic background.

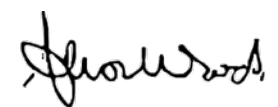
Directors' time commitments

When making a new appointment, the Board takes into account other significant demands on a director's time. Any significant commitments must be disclosed prior to appointment for consideration by the Board. Any additional external appointments may then only be undertaken with the Board's written approval and if it is considered that the director's time and other commitments allow.

Executive directors require the Board's approval to accept any external appointments as a non-executive director and retain any associated fees. These measures are in place to ensure all directors have sufficient time and capacity to focus on the work required by the company.

Non-executive directors' letters of appointment

The roles and responsibilities of the non-executive directors are specified in their letters of appointment. The letters of appointment are available for inspection on request at the Group's registered office and will be available immediately prior to and during the 2025 AGM.



Alison Wood
Nomination Committee Chair

Board and Executive management gender identity table

As at 30 June 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, SID and Chair)	Number in Executive management ¹	Percentage of Executive management ¹
Men	4	67	2	4	80
Women	2	33	1	1	20

¹ Those included in the number in Executive management consist of those who make up the Executive Board but who are not plc Board members.

Board and Executive management ethnic identity table

White British or other White (including minority-White groups)	6	100	3	5	100
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¹ Those included in the number in the Executive management column consist of those who make up the Executive Board but who are not plc Board members.

Audit Committee report



Kevin Boyd
Audit Committee Chair



- Kevin Boyd
Audit Committee Chair
- Michael Topham
Non-executive Director
- Sally Boyle
Non-executive Director

On behalf of the Board, I am pleased to present my first Audit Committee Report for the financial year ended 30 June 2025.

I would like to extend my sincere thanks to Marisa Cassoni for her chairing of this Committee, prior to her stepping down on 28 November 2024. I would also like to thank Bill Hocking, Chief Executive, who bridged the gap and took responsibility for overseeing the full-year financial performance of the Group, following the resignation of Andrew Duxbury, former Finance Director in May 2024, pending Kris Hampson joining as Chief Financial Officer on 2 September 2024.

Composition of the Committee

The Committee continues to comply with Provision 24 of the Code as, at the financial year end, all members were independent non-executive directors. In addition, both Michael Topham and I are chartered accountants and have previously held chief financial officer roles in listed companies, as well as various other senior financial roles, and so meet both the Code requirement of having recent and relevant experience in finance and the Disclosure and Transparency Rule 7.1.1A(2), which states that at least one member must have competency in accounting or auditing or both. In addition, Sally Boyle has significant legal and commercial experience both internationally and in the UK, and this combined skill and experience ensures there is the required level of competence among Audit Committee members to meet their duties.

The Committee continues to ensure each member has sufficient knowledge and access to training to stay up to date and contribute effectively to the Committee's work. Further details of the Committee's members can be found on page 88.

In addition to the members of the Committee, regular attendees who join the meetings by invitation include the Chair of the Board, the Chief Executive, the Chief Financial Officer, the Director of Risk and Internal Audit, and the Group Financial Controller. The General Counsel & Company Secretary, or his delegate, acts as secretary to the Committee and provides support as required. The external auditor also attends Committee meetings by invitation.

Remit and activities

The Committee held three planned meetings during the financial year, which it deems appropriate to its role and responsibilities. The Committee's delegated authorities and calendar of prioritised work remain in line with previous years and within the Code's requirements.

The Committee's key responsibilities are:

- delegated responsibility from the Board for financial reporting;
- monitoring external audit, internal audit, risk and controls; and
- reviewing instances of whistleblowing and the Group's procedures for detecting fraud.

The Committee also continues to meet with the Director of Risk and Internal Audit and the external audit teams without Executive management present, in order to discuss any matters which they may wish to raise.

The Committee reviewed and updated its terms of reference in line with best practice during the financial year, requiring only minor changes, and the current terms of reference can be found on the Group's website (www.gallifordtry.co.uk) or by scanning the QR code below.



Calendar of 2024/25 Committee activities and areas of focus

2024

- September**
- ➔ Review of year-end planning and resources.
 - ➔ Overview of contract accounting judgements.
 - ➔ Committee review of 2024 full-year results, including external auditor presentation, going concern review and viability statement, and approval of the 'fair, balanced and understandable' process.
 - ➔ Review of draft 2024 annual results statement.
 - ➔ Review of draft external audit opinion.
 - ➔ Review of risk, internal audit and whistleblowing reports.

2025

- February**
- ➔ Overview of contract accounting judgements.
 - ➔ Committee review of 2025 half-year results, including external auditor presentation, going concern review and approval of the 'fair, balanced and understandable' process.
 - ➔ Reflections on the 2024 audit process.
 - ➔ Review of draft half-year 2025 results statement.
 - ➔ Review of risk, internal audit and whistleblowing reports.

2025

- May**
- ➔ Review and approval of the internal audit charter and internal audit plan 2025/26.
 - ➔ Review of the Group's year-end planning and finance team structure.
 - ➔ Approval of the external audit plan and proposed audit fees.
 - ➔ Anti-money laundering compliance update.
 - ➔ Review of risk, internal audit and whistleblowing reports.
 - ➔ Review of terms of reference and non-audit fee policy.
 - ➔ Progress report of the working group regarding Provision 29 of the 2024 UK Corporate Governance Code.

FRC audit quality review

The Financial Reporting Council's audit quality review (AQR) selected BDO LLP's (BDO) audit of the Group's financial statements for the year ended 30 June 2023 as part of its annual inspection of the audit firms.

The FRC has provided a copy of their confidential report to the Chair of the Audit Committee, which has been reviewed and discussed by the Committee with BDO.

BDO worked during the audit for the year ended 30 June 2024 to embed the points raised by the FRC.

The Committee is satisfied that the comments raised by the AQR have been incorporated into the work carried out by the external auditor and the audit continues to be effective.

Committee evaluation

The externally facilitated Board evaluation process considered the performance and effectiveness of the Audit Committee and concluded the Chair was effective in overseeing the Committee's area of responsibility. The Committees are generally felt to fulfil their remits well and provide a good range of useful inputs to the work of the Board.

Please see page 95 for further information on the Board and its Committees' performance review.

Corporate governance internal controls review

In May 2024, the Committee reviewed a report on the requirements under Provision 29 of the UK Corporate Governance Code 2024 and agreed a plan to achieve compliance. A working group was tasked to undertake the scoping, project planning and testing of the operational effectiveness of our internal controls, scenario planning and stress testing for resilience and, where necessary, strengthening the processes already in place. The working group is continuing to make good progress towards compliance for the financial reporting period ending 30 June 2027.

The working group is chaired by the Chief Financial Officer and consists of a number of senior finance and non-finance members. It also actively engages with external advisers. It meets on a regular basis to ensure focus and progress against the agreed timetable. Key activities include:

- ➔ Ensuring that the owners of the material controls and the current control and verification processes identified and understood.
- ➔ Identification and agreement of the key and material controls used to manage the most significant risks across five key business areas, namely: financial, entity level, operational, IT and reporting level, to be reached.

- ➔ A detailed review to be completed to assess and validate whether the evidence of assurance for each key control is sufficient to enable the overall controls framework to be effective and robust.
- ➔ Regular review meetings to consider the progress being made and any slippage against timetable investigated.

The Audit Committee will continue to monitor the working group's progress.

Audit Committee report

continued

External audit

The company's external auditor is BDO and is led by the audit partner, Peter Latham, who has been a partner at BDO for 2 years. Peter Latham became our audit partner following the stepping down of Edward Goodworth in September 2024 as he reached the maximum mandatory five-year period as partner on our account. The appointment of BDO followed an audit tender process undertaken in the second half of 2018, which was carried out to maintain independence and ensure a fresh approach, and was subsequently approved by shareholders.

During the financial year, the Committee formally met with the external auditor as part of the interim review, audit planning and year-end audit findings. During the planning phase of the audit, the Committee gave its views on various elements including the materiality, key risks and the associated audit approach to those risks. The Committee meets privately with the auditor, and the Chair of the Committee speaks regularly with the audit partner throughout the financial year.

Each year, the Committee assesses the independence, objectivity and effectiveness of the external audit process, which includes discussing feedback from the members of the Committee and key senior management within the Group and from regulatory sources. The Committee is satisfied that the external audit relationship is effective and that BDO remains sufficiently independent in accordance with the relevant professional ethical standards.

A resolution is to be proposed at the forthcoming AGM for the reappointment of BDO as auditor of the Group, with its terms of engagement and rate of remuneration to be determined by the Committee.

Non-audit services

The Group has policies and review mechanisms governing the provision of material non-audit services and safeguarding the objectivity and independence of the external auditor. These remained in force throughout the financial year. The policy specifies: the types of non-audit service for which the use of the external auditor is pre-approved (ie approval has been given in advance as a matter of policy); the services for which specific approval from the Committee is required before the auditor is contracted; and the services from which the external auditor is excluded. In respect of pre-approved services, a financial threshold is in place of £100,000, applicable to individual and aggregated services in any year. Furthermore, should the total value of non-audit service engagements exceed the defined percentage of 50% of the total Group audit fee for the previous financial year, the Committee shall consider and give specific prior approval for any subsequent non-audit service engagements in excess of £50,000. During the financial year, and in line with previous years, BDO provided a standard non-audit-related assurance service for the half-year review,

details of the fees for which can be found in accounting note 7. There were no other non-audit services provided by BDO during the period and the Committee is satisfied that the non-audit-related assurance service provided does not impair BDO's independence and objectivity.

Internal audit

Each year, the Committee monitors and reviews the effectiveness of the internal audit function, approves the scope of the internal audit plan for the following year, assesses the adequacy of the team's resources and oversees, and challenges as necessary, management's response to the findings of internal audits.

During the financial year, the Internal Audit team continued to deliver its agreed internal audit plan and provided commercial and risk management support across the Group, at the request of the Audit Committee, the Executive Board and senior management. Results from the biannual commercial health checks, based on a sample of 12 contracts from across the business, are reported to the Committee. Projects included in the commercial health checks provide a representative mix of business units, project values, current commercial performance and stage of completion.

In addition, in September 2024 the Chartered Institute of Internal Auditors published a revised Internal Audit Code of Practice. Though compliance with this revised Code is not mandated, our processes already met the majority of the new requirements. These include, for example, documenting how any material errors would be resolved and disclosed, how to decide to place reliance on another assurance provider, and how data analytics are utilised.

Overall, the Internal Audit function operated effectively and contributed strongly to the Group's governance framework.

Risk management

The Executive Risk Committee reports to the Executive Board and the plc Board. It reviews the Group's risks, reviews and documents emerging risk themes that could have a significant impact on our business, and considers climate-related risks and opportunities, in support of our Task Force on Climate-related Financial Disclosures (TCFD) reporting.

In line with Provision 29 of the Code, the Board undertook an annual assessment of the appropriateness and effectiveness of the Group's risk management and internal control systems, prior to approving the full-year results. This review covers material controls, including financial, operational and compliance controls.

Following these reviews, the Committee concluded the company's system of risk management and internal control was effective and appropriate for the size and complexity of the Group.

i For further information regarding the management of risks, please see pages 58 to 62.

Internal control framework

The day-to-day management of our principal risks is supported by an internal control framework which is embedded in our management and operational processes. The most significant elements of the Group's internal control framework have remained consistent with the previous financial year and include the following:

- **Organisational structure:** Each business unit is led by a managing director and management team, providing a clear hierarchy and accountabilities.
- **Code of Conduct:** The Group promotes a culture of acting ethically and with demonstrable integrity. Our ethical standards and approach are set out in 'Doing the Right Thing', our Code of Conduct. It is supported by training modules and its themes and importance are communicated to new starters as part of their induction.
- **Contractual review and commitments:** The Group has policies and procedures for entering into contracts that apply across its business units and operations and are enforced through the Group's legal authorities matrix.
- **Operational activity:** Site operations are performed in line with established business management systems and processes that incorporate all operational activities, including health, safety and environmental (HSE) procedures, regular performance monitoring, quality management and external accountability to stakeholders.
- **Financial planning framework:** A detailed annual budget is prepared for each financial year, which is approved by the Board. This is supplemented by the Group's strategy to 2030.
- **Operational and financial reporting:** An exacting profit and cash reporting and forecasting regime is in place across the Group. This emphasises cash flow, income and balance sheet reporting, as well as HSE matters within monthly operational reports.
- **Internal audit:** The Internal Audit team develops and delivers an annual programme of internal audits, which includes business unit key control reviews, audits of Group processes and other specific risk areas, and reviews of significant change programmes.
- **Assurance provided by non-audit functions:** A number of other Group functions provide assurance in areas including, but not limited to, HSE, legal contract reviews and compliance, and construction industry regulation.

Significant issues and other accounting judgements

The Committee reviewed the integrity of the Group's financial statements and all formal announcements relating to the Group's financial performance. This included an assessment of each critical accounting policy, as set out in note 1 to the financial statements, as well as review and debate on the following areas of significance:

- ➔ **Contract revenue and provisions:** In conjunction with the annual audit, the Committee continued to review key judgements in respect of revenue recognition and contract provisions, in relation to certain significant long-term construction contracts.
- ➔ **Contract rectification provision:** The Committee considered whether a material rectification provision as disclosed in the critical accounting estimates and judgements in the financial statements appropriately met the criteria for a provision and was appropriately estimated and disclosed. The Committee also considered the levels of other required provisions.
- ➔ **Going concern and viability:** The Committee considered key commercial, economic and other risks to the Group's going concern status and longer-term viability and reported to the Board on its findings.
- ➔ **Significant transactions:** The Committee has given particular consideration to the accounting for and presentation of individually significant transactions, and areas where adjusted performance measures are required to ensure that the financial statements give a fair, balanced and understandable view of the Group's performance, and that statutory measures are equally clear and prominent.
- ➔ **PPP portfolio valuation:** The Committee reviewed the discount rate used to determine the fair value of each of the Group's PPP investments.

Whistleblowing

The Group has an independent and anonymous whistleblowing procedure, allowing any employee or third party to confidentially raise concerns. The Committee reviewed any whistleblowing reports at its meetings during the year, ensuring that the whistleblowing procedure remains effective and that any matters reported are appropriately investigated and resolved.

Fair, balanced and understandable consideration

As requested by the Board and in line with its terms of reference, the Committee has reviewed the 2025 Annual Report and financial statements and considered whether, in terms of the form and content of the strategic, governance and financial information taken as a whole, it is fair, balanced and understandable and enables shareholders to assess the Company's position and performance, business model and strategy. The process was as follows:

- ➔ External legal advisers review the Annual Report Governance section draft to ensure compliance.

- ➔ Management considers key judgements and significant changes, and how such matters should be disclosed.

- ➔ The General Counsel & Company Secretary and finance team ensure that the balance of information provided is consistent with the balance of discussions at the plc Board.

- ➔ Drafts of the Annual Report are provided to the Committee members in advance, for consideration and review.

- ➔ Management prepares papers for the Committee, setting out key judgements in preparing the Annual Report and how such matters are disclosed.

- ➔ The Committee, once satisfied the requirements have been met, recommends that the fair, balanced and understandable review process is approved at its September meeting.

- ➔ The Board considers the Committee's recommendation that the fair, balanced and understandable statement be applied to the 2025 Annual Report and financial statements.

The Board approved the Committee's recommendation that the fair, balanced and understandable statement could be applied to the 2025 Annual Report and financial statements and this can be found in the Directors' report on pages 123 to 126.



Kevin Boyd
Audit Committee Chair

Remuneration Committee report



Sally Boyle
Remuneration Committee Chair



- Sally Boyle
Remuneration Committee Chair
- Alison Wood
Board Chair
- Kevin Boyd
Senior Independent Director
- Michael Topham
Non-executive Director

On behalf of the Board, I am pleased to present the Directors' Remuneration report for the financial year ended 30 June 2025.

The Remuneration report is divided into three parts: the Annual Statement; the Directors' Remuneration Policy; and the annual report on remuneration, which sets out how the Remuneration Policy was applied during the financial year.

Remuneration and performance in 2024/25

Despite the difficult macro-economic environment, the Group has continued to deliver a strong operational and financial performance in its key markets to progress towards the accelerated Sustainable Growth Strategy targets to 2030. In line with the 2024/25 targets of the Annual Bonus Plan (ABP), the Committee has approved payments for the financial year at 97% of maximum. For the Long Term Incentive Plan (LTIP), the Committee has approved the vesting of awards granted to the Chief Executive under the LTIP in September 2022. Based on performance up to the financial year, 95.3% of the September 2022 LTIP will vest on 23 September 2025, three years after grant. All awards are made in accordance with the Remuneration Policy approved by shareholders at the company's AGM on Friday 10 November 2023. Further details of remuneration can be found in the following pages.

During the year the Committee considered a range of factors when determining the average annual salary award to employees, including the performance of the UK economy generally, inflation levels, interest rates and market sector trends, general salary trends, sector benchmarking and business affordability, and agreed an average annual salary award budget of 3.25%. The Board also reviewed the LTIP performance metrics to ensure alignment to the Group's update strategic targets, including considering Total Shareholder Return (TSR) as a future performance metric. It was agreed that the current performance metrics should continue to apply for the time being.

The Committee has continued to apply the recommendations of the UK Corporate Governance Code and decisions relating to remuneration matters are set out in the relevant sections of this report. The Committee confirms the changes brought in by the 2024 UK Corporate Governance Code relating to remuneration were implemented during 2025.

This report has been prepared in accordance with the relevant provisions of the Companies Act 2006, The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 and the Financial Conduct Authority's Listing Rules.

Board and Committee changes

As previously reported, Kris Hampson was appointed Chief Financial Officer on 2 September 2024. His joining salary was £380,000 and, in line with the company's workforce policy, a pension contribution of 8% of salary. He is eligible to participate in the 2024/25 bonus and for a grant under the 2024 LTIP, pro rata in line with the Remuneration Policy. Kris's base salary represents a reduction against the outgoing Finance Director and was awarded, taking account of Kris's previous experience and market competitive rates. Full details of his package can be found in this report and details of his appointment and induction process can be found on page 98 of the Nomination Committee report. The Committee approved a buyout in line with the Remuneration Policy for recruiting Executive Directors to compensate Kris Hampson for awards forfeit on resignation from his previous position. Full details can be found on page 118.

i Further details of the Committee's members can be found on page 88.

Calendar of 2024/25 Committee activities and areas of focus

2024

July

- ➔ Review of recent market developments in executive remuneration.
- ➔ Review of LTIP metrics and market practice trends.
- ➔ Review of LTIP 2024 grant of awards.
- ➔ Update on 2023/24 annual bonus forecast, performance and proposed 2024/25 annual bonus scheme.
- ➔ Consideration of bonus discretion and Committee guidance.
- ➔ Long Term Bonus Plan (for roles below Executive Board level) and interim award 2024 proposals.
- ➔ Review of draft 2024 Directors' Remuneration report.

2024

September

- ➔ Consideration of 2024 LTIP and Annual Bonus Plan awards.
- ➔ Review of 2023/24 Long Term Bonus Plan awards.
- ➔ Review of employee annual bonus performance to 30 June 2024.
- ➔ Approval of the 2024 Directors' Remuneration report.
- ➔ Review of Employee Share Trust purchase programme.

2025

February

- ➔ 2025 salary and benefits review (effective 1 April 2025).
- ➔ Review of terms of reference.
- ➔ Employee Share Trust update.
- ➔ Briefing from the HR Director on remuneration and other considerations for the wider workforce.

Remuneration Policy

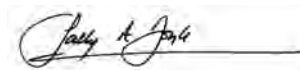
The Remuneration Policy was submitted to shareholders for approval at the AGM held in November 2023, where it was subjected to a binding vote and was overwhelmingly approved by 99.3% of shareholders who voted. The structure of the Remuneration Policy, which was largely unchanged from the previous Policy, comprises base salary, pensions, benefits, annual bonus and Long Term Incentive Plans (LTIP) and has again been adopted and implemented throughout this financial year. The three-year life of the Remuneration Policy will expire at the 2026 AGM, where shareholder approval will be sought for a new binding Policy. The full Policy is set out on pages 108 to 114.

Application of Remuneration Policy in 2025/26

The key elements of the Remuneration Policy being applied are set out below:

- ➔ **Base salaries:** The Committee continues to monitor and review pay and conditions across the Group and the external market. Taking into account cost of living and external market conditions, an overall salary budget of 3.25% was approved for annual staff salary increases across the Group from 1 April 2025. Bill Hocking's salary was increased by 2.88% and Kris Hampson's salary was increased by 3.16%, both of which being below the budgeted average salary increase awarded across the workforce.
- ➔ **Annual Bonus Plan (ABP):** The scorecard for the Annual Bonus Plan for 2025/26 is in line with the 2024/25 scorecard and will continue to include ESG metrics. All bonus awards will be subject to the Committee's discretion, taking into account health and safety performance and the underlying performance of the Group. 2025/26 targets will be disclosed as usual in the 2026 Annual Report.
- ➔ **LTIP:** No changes to metrics or structure are proposed for the 2025 awards. The metrics will continue to comprise earnings per share (EPS) and average cash management.

There will be one advisory vote at the AGM in November 2025 on the Directors' Remuneration report.



Sally Boyle
Remuneration Committee Chair

Remuneration at a glance

The following is a summary of the Executive Directors' remuneration in 2024/25 and proposed application of the approved Remuneration Policy (Policy).

Remuneration Policy and framework

Our approach to remuneration and our Policy are set out on pages 108 to 114 of this report. The elements of executive directors' remuneration are:

- **Fixed element:** Comprises base salary, taxable benefits (such as a company car or cash equivalent allowance, private medical and permanent health insurance, and life assurance), and contribution to a pension.
- **Variable element:** Annual bonus, which incentivises and rewards the achievement of stretching annual targets (both financial and non-financial) that support the Group's annual and strategic objectives, with two-thirds of any bonus earned in excess of 50% of salary required to be deferred into restricted shares.

- **Long-term element:** The LTIP incentivises the achievement of sustained long-term financial and operational performance over a three-year performance period. Any share awards that vest are subject to a two-year holding period.

Actual remuneration in 2024/25

The following table summarises the executive directors' remuneration in 2024/25:

Director	Role	Fixed remuneration ¹ £000	Variable remuneration ^{2,3} £000	Total remuneration ³ £000
Bill Hocking	Chief Executive	573	2,271	2,844
Kris Hampson	Chief Financial Officer	341	341	682

- 1 Comprises base salary, taxable benefits and pension contributions. See page 115 for further information.
2 Comprises annual bonus awarded and LTIP vesting with reference to performance during the financial year. See pages 116 to 117 for further information.
3 The figures shown here for Kris Hampson cover the period from his joining the company to 30 June 2025 and include a payment of £35,857 relating to the buyout from his previous position, to be paid in Galliford Try shares in October 2025. See page 118 for further information.

Variable pay outcomes

Annual bonus payments for 2024/25

The annual bonus payments made to the Executive Directors are summarised in the table below.

Director	Maximum bonus (% of salary) ¹	Achieved bonus (% of salary) ¹	Cash £000	Shares £000
Bill Hocking	120%	116.4%	375	230
Kris Hampson	100%	97%	206	99

- 1 See page 116 for further information.

LTIP outcomes

Vestings relating to 2022 to 2025 performance

The LTIP awards granted to Bill Hocking on 23 September 2022 were based on 75% underlying EPS performance and 25% on average month-end cash as a percentage of annual turnover in the final year to 30 June 2025. The September 2025 vesting is summarised below:

	Stretch EPS condition	Actual EPS performance	Stretch average month-end cash ¹ condition	Actual average month-end cash ¹ performance	% Vesting	Value of award vesting £000 ²
Bill Hocking	28.4p	33.3p	10%	9.5%	95.3%	1,666

1 As a percentage of annual turnover.

2 Estimated based on the average share price over the three months to 30 June 2025.

Proposed application of the Policy in 2025/26

Element	Bill Hocking	Kris Hampson
Base salary	£535,000	£392,000
Pension	8%	8%
ABP	Maximum bonus opportunity of 120% of salary for the Chief Executive and 100% of salary for other executive directors.	
LTIP	Award of up to 150% of salary, with three quarters based on earnings per share and one quarter on a cash performance metric, measured as an average month-end cash as a percentage of revenue.	
Performance targets	EPS: The target EPS to be achieved in the final year of the performance period (1 July 2027 to 30 June 2028) is 46.0p. Achieving 41.4p would generate 25% vesting and 50.6p would generate 100% vesting on a straight-line basis. Cash: The target is average month-end cash in the final year of the performance period of 9% of annual turnover. Achieving 8% would generate 25% vesting and 10% would generate 100% vesting on a straight-line basis.	
Holding period	Any vested LTIP shares must be held for two years after vesting (after payment of tax).	
Malus and clawback	Malus and clawback apply in circumstances of error, material misstatement, misconduct, reputational damage or corporate failure as a result of poor risk management.	

Directors' Remuneration Policy report

The Remuneration Policy report was subject to a binding shareholder vote at the 2023 AGM and was passed with 99.3% support. There have been no changes to the Policy during the financial year.

The main objectives of the Group's Remuneration Policy are to:

- ensure that remuneration packages are appropriately positioned and structured to promote a Sustainable Growth Strategy for all stakeholders and which takes into account pay and conditions and market practice;
- engender an inclusive and progressive culture, which enables all individuals to reach their potential and positions Galliford Try as an employer of choice;

- deliver a significant proportion of total executive pay through performance-related remuneration and in shares; and
- ensure the achievement of strong and sustained long-term financial and operational performance with no reward for failure.

How the Remuneration Policy aligns with the UK Corporate Governance Code

The Committee has continued to apply the recommendations of the UK Corporate Governance Code and decisions relating to remuneration matters are set out in the relevant sections of this report. The Committee confirms the changes brought in by the 2024 UK Corporate Governance Code relating to remuneration were implemented during 2025.

The full Remuneration Policy is detailed in the table below and contains no material changes to the Policy agreed in 2023.

Component and link to strategy	Operation	Framework to assess performance and maximum opportunity
Salary To provide a competitive and appropriate level of basic fixed pay, sufficient to retain, motivate and attract executive directors of high calibre, able to develop and execute the Group's strategy.	Normally reviewed annually, with any changes typically taking effect from 1 April. The Committee sets salaries at competitive rates, taking into consideration pay and employment conditions across the Group, the economic environment, the responsibilities and accountabilities of each role, the experience of each individual, their marketability and the Group's key dependencies on the individual. Reference is also made to salary levels among relevant construction peers and, other companies of broadly similar size and complexity. The Committee reserves the right to reduce salary levels (and has done so in the past) if the circumstances warrant it.	When reviewing salaries, both Group and individual performance are considered. While there is no prescribed maximum, the Committee's policy on salary increases for executive directors is for increases to be broadly in line with the average across the workforce, unless there is a promotion or material change in role or business circumstances in which case increases may be higher. Salaries for the year ahead are set out in the Annual Report on Remuneration.
Benefits To provide cost-effective and market-competitive benefits.	Benefits provided to executive directors may include entitlements to a company car or cash equivalent allowance, private medical and permanent health insurance, and life assurance. The benefits provided may be subject to minor amendment from time to time by the Committee and Executive Directors may be allowed to participate in any new benefit plan introduced for the wider workforce on equivalent terms. Where a director is asked to relocate, relocation allowances or similar benefits may be provided. Executives may also be reimbursed for any reasonable expenses (and any income tax payable thereon) incurred in performance of their duties.	The cost of benefit provision varies from year to year, depending on the cost to the Group, and there is no prescribed maximum limit. Benefit costs are monitored and controlled to ensure they remain appropriate and represent a small element of total remuneration costs.
Pension To provide a contribution towards retirement.	The executive directors may each receive contributions to a money purchase pension scheme or salary supplement in lieu of company pension contributions (or a combination of both).	The rate offered of 8% for the Chief Executive and the Chief Financial Officer is in line with that offered across the employee population. Any new executive director would also receive a pension contribution in line with the wider workforce.

Component and link to strategy	Operation	Framework to assess performance and maximum opportunity
Annual Bonus Plan Rewards the achievement of stretching annual goals that support the Group's annual and strategic objectives. Compulsory deferral of part of the bonus into shares provides alignment with shareholders.	Executive directors and selected senior management, subject to invitation and approval by the Committee, may participate in the Annual Bonus Plan. For executive directors, two thirds of any bonus earned in excess of 50% of salary is required to be deferred into restricted shares. Although beneficially held by the participants, the restricted shares are legally retained by the trustee of the Galliford Try Employee Benefit Trust (EBT) for three years, and are subject to forfeiture provisions, unless otherwise agreed by the Committee. Subject to continued employment, the restricted shares are legally transferred to participants on the third anniversary of allocation. The Committee operates recovery and withholding provisions within the Annual Bonus Plan, which facilitate the retrieval of payments made to directors and executive management in circumstances of error, material misstatement, misconduct, reputational damage or corporate failure as a result of poor risk management.	The maximum opportunity is 120% of salary for the Chief Executive and 100% of salary for other executive directors. No more than half of the maximum opportunity is earned for target performance. For financial elements, bonuses normally start to be earned from 0% of salary for achieving threshold performance. The Committee may apply a higher threshold where this is appropriate given the nature of particular performance objectives, but this will not exceed 25% of the maximum bonus. Vesting is dependent on achieving specified financial (no less than 50% of the bonus) and strategic or non-financial targets. The Committee may, at its discretion, acting fairly and reasonably, adjust bonus outcomes if it considers the payout is inconsistent with the company's underlying performance during the year, taking into account factors including safety and ESG. The 2024/25 bonus target incorporates a 12% target for ESG factors that includes: people, carbon emission, community and supply chain metrics. For the avoidance of doubt this can be 0% and bonuses may not exceed the maximum levels detailed above. Any use of such discretion would be subject to shareholder consultation if materially to the benefit of the executive management and detailed in the Annual Report on Remuneration.
Long Term Incentive Plan (LTIP) Rewards the achievement of sustained long-term financial and operational performance and is therefore aligned with the delivery of value to shareholders. Facilitates share ownership to provide further alignment with shareholders. Making of annual awards aids retention.	Executive directors may be granted awards under the rules of the LTIP approved by shareholders on 29 November 2019 and adopted by the company in January 2020. The LTIP provides for awards of free shares in the form of nil or nominal cost options or conditional awards that vest dependent on the achievement of performance conditions and continued service. Any share awards that vest (after allowing for sales to cover any tax liabilities) are subject to a two-year holding period during which time they cannot be sold (unless exceptional circumstances apply). The LTIP provides clawback and malus powers to the Committee, which can facilitate the retrieval of payments made to directors and executive management in circumstances of error, material misstatement, misconduct, reputational damage or corporate failure as a result of poor risk management. Dividends may accrue on LTIP awards over the vesting and holding periods and, subject to the discretion of the Committee, be paid out either as cash or shares on vesting, in respect of the number of shares that have vested.	Performance metrics for FY25 comprise 75% based on earnings per share and 25% on a full-year cash performance metric based on average month-end cash as % of turnover. The Committee may vary the measures and targets that are included in the plan and the weightings between them from year to year. Measures may be related to financial performance, share price performance and ESG. Any material changes to the choice of measures would be subject to consultation with the company's major shareholders. The Committee may, at its discretion, acting fairly and reasonably, adjust LTIP vesting outcomes if it considers the payout is inconsistent with the company's underlying performance over the performance period. For the avoidance of doubt, this can be to zero and vesting may not exceed the maximum levels detailed below. Any use of such discretion would be subject to shareholder consultation if to the benefit of the executive management and detailed in the Annual Report on Remuneration. Under the LTIP rules, the maximum value that may be granted in any financial year to any individual is 150% of salary. Up to 25% of the relevant part of the award may vest for achieving threshold performance.
All-employee schemes To encourage employee share participation.	The Group may from time to time operate tax-approved or other share plans (such as an approved Save As You Earn (SAYE) scheme for the benefit of all staff) for which executive directors could be eligible on the same terms as other staff.	Schemes are generally subject to the limits set by HM Revenue & Customs (HMRC) and may be further limited at the Committee's discretion.

Directors' Remuneration Policy report

continued

Component and link to strategy	Operation	Framework to assess performance and maximum opportunity
Shareholding guidelines To ensure the interests of the executive directors are aligned to those of shareholders.	The Group's share retention policy requires executive directors to build and maintain a shareholding equivalent in value to at least 200% of basic salary. Executive directors are required to retain a minimum of half the after tax number of vested share awards (deferred bonus and LTIP) until the guideline is met. On leaving the company, executive directors are required to retain the lesser of their in-post shareholding guideline and their actual shareholding on departure for two years. This requirement applies to shares earned from share awards granted to executive directors following the 2020 AGM. The Committee will assess the guideline annually and take into account vesting levels and personal circumstances when assessing progress against the guideline.	–
Non-executive fees To provide a competitive and appropriate level of fees sufficient to attract, motivate and retain a Chair and non-executive directors of high calibre.	The Chair is paid a single fixed fee. The remaining non-executive directors are paid a basic fee. Non-executive directors chairing a Board Committee, the Senior Independent Director and the Chair of the Employee Forum are paid an additional fee to reflect their extra responsibilities. The level of these fees is reviewed periodically by the Committee and Chief Executive for the Chair, and by the Chair and executive directors for the non-executive directors. Fees are set taking into consideration market levels in comparably sized FTSE companies and relevant sector peers, the time commitment and responsibilities of the role and the experience and expertise required. Non-executive directors, including the Chair, are entitled to reimbursement of business expenses reasonably incurred in performing their duties (and any personal tax that may become payable). Non-executive directors cannot participate in any of the Group's annual bonus or share plans and are not eligible for any pension entitlements from the Group. The Chair is eligible to participate in the Group's medical assurance plan.	The Committee and the executive directors are guided by the general pay increase for the broader employee population, but on occasions may need to recognise, for example, changes in responsibility or time commitments, whether on a permanent or temporary basis. Current fee levels are disclosed on page 122.

Notes to the Policy table

Performance measure selection and approach to target setting

Measures used under the ABP and LTIP are reviewed annually to reflect the Group's main short- and long-term objectives and reflect both financial and non-financial priorities, as appropriate.

Targets applying to the ABP and LTIP are also reviewed annually, based on a number of internal and external reference points. Performance targets are set to be stretching but achievable, with regard to the particular strategic priorities and economic environment in a given year. Under the bonus, target performance typically requires meaningful improvement on the previous year's outturn, and, for financial measures, targets are typically in line with market consensus.

Discretions retained by the Committee in operating incentive plans

The Committee may make minor amendments to the Policy for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation without obtaining shareholder approval.

The Committee will operate the ABP and LTIP according to their respective rules, the Policy set out above and in accordance with the Listing Rules and HMRC rules where relevant. The Committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of these plans, subject to any limitations set out in the rules of the applicable plan or, in the case of executive directors, in the Policy set out on pages 108 to 114.

These include (but are not limited to) the following:

- who participates in the plans;
- the timing of grant of an award and/or a payment;

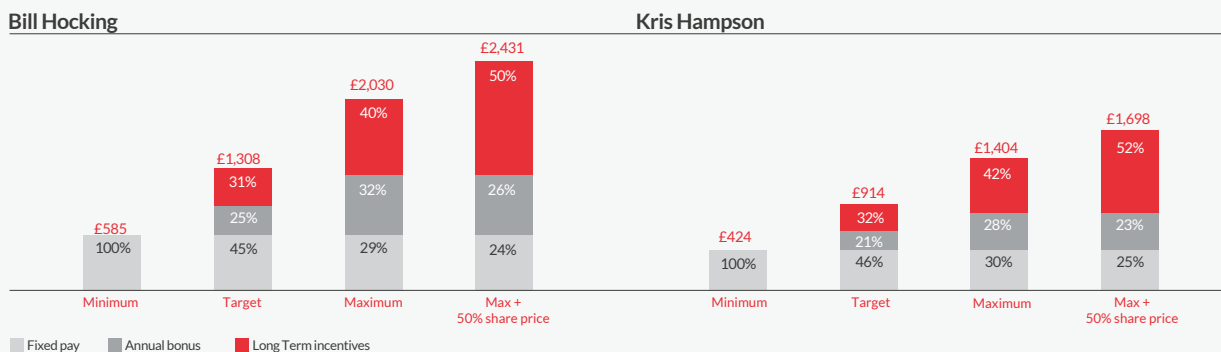
- the size of an award and/or a payment;
- the choice of (and adjustment of) performance measures, weightings and targets for each incentive plan in accordance with the Policy set out above and the rules of each plan;
- discretion relating to the measurement of performance in the event of a change of control or reconstruction;
- determination of a good leaver (in addition to any specified categories) for incentive plan purposes based on the rules of each plan and the appropriate treatment under the plan rules; and
- adjustments required in certain circumstances (rights issues, corporate restructuring, on a change of control and special dividends).

Any use of the above discretions would, where relevant, be explained in the Annual Report on Remuneration and may, as appropriate, be the subject of consultation with the company's major shareholders.

Executive Director remuneration scenarios

Illustration of application of Remuneration Policy

Remuneration (£000s)



The individualised potential Executive reward charts have been prepared using the following assumptions:

- For minimum remuneration: Only fixed salary, benefits and pensions payments have been included.
- For on-target remuneration: Fixed salary, benefits and pension plus 50% payout of the ABP and 50% of the LTIP (face value) awards have been included.

- For maximum remuneration: Fixed salary, benefits and pension plus full payout under the ABP and full vesting of the LTIP (face value) awards have been included.
- For maximum plus share price growth: same values as the maximum scenario plus a 50% increase in the value of the LTIP (face value) awards have been included.

Salary levels are based on those applying on 1 April 2025 and the value of taxable benefits is estimated based on the cost of supplying those benefits (as disclosed) for the year ended 30 June 2025. Executive directors can choose to participate in all employee share schemes on the same basis as other employees but, for simplicity, the value that may be received from participating in these schemes has been excluded.

Directors' Remuneration Policy report

continued

Policy on recruitment

In cases where the Group recruits a new executive director, the Committee will align the new executive's remuneration with the approved Remuneration Policy. In arriving at a value for individual remuneration, the Committee will take into account the skills and experience of the candidate, the market rate for a candidate of that experience and the importance of securing the preferred candidate.

The Committee also has the discretion to meet certain other incidental expenses (for example, relocation costs and travel and subsistence payments) to secure recruitment of preferred candidates. Further details of the Recruitment Policy are set out in the table below.

Element	General policy	Specifics
Salary	At a level required to attract the most appropriate candidate.	Discretion to pay lower base salary with incremental increases (potentially above the average increase across the Group), as the new appointee becomes established in the role.
Pension and benefits	In line with the policy for existing executive directors.	In line with the Policy, pension contribution rates will be aligned with those offered across our employee population. Relocation expenses or allowance, legal fees and other costs relating to recruitment may be paid as appropriate.
ABP	In line with existing schemes.	Where a director is appointed part way through a financial year, different performance measures could be introduced to reflect the change in role and responsibilities. The annual bonus limit remains at 120% of base salary for a Chief Executive and 100% for other directors. Pro-rating applies as appropriate for intra-year joiners. Where an individual is appointed to the Board, different performance measures from those for continuing directors may be set for the period of time remaining in that performance year.
LTIP	In line with Group policies and LTIP rules.	An award of up to 150% of salary may be made in accordance with the Remuneration Policy. An award may be made in the year of joining or can be delayed until the following year. Targets would normally be the same as for awards to other directors.
Other share awards	The Committee may make an incentive award to replace deferred pay forfeited by an Executive leaving a previous employer.	Awards would, where possible, be consistent with the awards forfeited in terms of structure, value, vesting periods and performance conditions.

The Committee reserves the right to award additional remuneration in excess of the Remuneration Policy at appointment, exclusively to replace lost rewards or benefits. In determining the appropriate form and amount of any such award, the Committee will consider various factors, including the type and quantum of award, the length of performance period, and the performance and vesting conditions attached to each forfeited incentive award. The maximum payment (which may be in addition to the normal variable remuneration) should be no more than the Committee considers is required to provide reasonable compensation to the incoming director.

The Committee may make use of the flexibility provided in both the Listing Rules and the approved Remuneration Policy, to make awards outside the existing parameters of the LTIP.

For internal promotions to executive director positions, the Committee's policy is for legacy awards or incentives to be capable of vesting on their original terms (which may involve participation in schemes that operate exclusively for below-Board employees) or, at the discretion of the Committee, they may be amended to bring them into line with the policy for executive directors.

For a new non-executive chair or non-executive director, the fee arrangement would be set in accordance with the approved Remuneration Policy.

Directors' service contracts and policy for payments to departing executive directors

The service contracts and letters of appointment for the Board directors serving as at 30 June 2025 are detailed below:

	Contract date ¹	Notice period ^{2,3} (months)
Non-executive directors		
Alison Wood	1 April 2022	6
Sally Boyle	1 May 2022	6
Michael Topham	1 June 2023	6
Kevin Boyd	1 March 2024	6
Executive directors		
Bill Hocking	3 January 2020	12
Kris Hampson	28 March 2024	12

- 1 Date shown is the director's contract as an executive or non-executive director of the Group. Executive directors have a rolling notice period as stated. Non-executive appointments are reviewed after three years and their appointments are subject to a rolling notice period as stated. All directors will stand for election or re-election at the 2025 AGM.
- 2 There are no contractual provisions requiring payments to directors on loss of office or termination, other than payment of notice periods. The Committee may seek to mitigate such payments where appropriate.
- 3 Subject to the Nomination Committee's recommendation, the Group's practice is to agree notice periods of no more than six months for non-executive directors and no more than 12 months for executive directors.

The executive directors' service contracts and letters of appointment for the non-executive directors are available at the Group's registered office and will be available for inspection immediately prior to and during the 2025 AGM.

For executive directors, at the Group's discretion, a sum equivalent to 12 months' salary and benefits may be paid in lieu of notice. The contracts include mitigation provisions to pay any such lump sum in monthly instalments, subject to offset against earnings elsewhere. This will also be the case for any future appointments.

An executive director's service contract may be terminated summarily without notice and without any further payment or compensation, except for sums accrued up to the date of termination, if they are deemed to be guilty of gross misconduct or for any other material breach of the obligations under their employment contract.

The Group may suspend executive directors or put them on a period of gardening leave during which they will be entitled to salary, benefits and pension.

For 'good leavers', bonuses may be payable pro rata for the proportion of the financial year worked, at the Committee's discretion. Depending on the circumstances, the Committee may consider additional payments in respect of an unfair dismissal award, outplacement support and assistance with legal fees.

Any share-based entitlements granted to an executive director under the Group's share plans will be determined based on the relevant plan rules. The default treatment is that any outstanding awards lapse on cessation of employment. However, 'good leaver' status can be applied at the Committee's discretion, taking into account the individual's performance and the reasons for their departure.

For 'good leavers', LTIP awards may vest at the normal time (other than by exception) to the extent that the performance conditions have been satisfied. The level of vested awards will be reduced pro rata, based on the period of time after the grant date and ending on the date employment ceased relative to the three-year performance period, unless the Committee, acting fairly and reasonably, decides that such a scaling back is inappropriate in any particular case. Deferred bonus shares of 'good leavers' vest on cessation of employment.

On a change in control, LTIP awards may vest based on the Committee's determination of the extent to which the performance conditions have been satisfied based on performance to date. The level of vested awards will be reduced pro rata based, unless the Committee, acting fairly and reasonably, decides that such a scaling back is inappropriate in any particular case. Deferred bonus shares will vest in full. The overriding principle will be to honour contractual remuneration entitlements and determine on an equitable basis the appropriate treatment of deferred and performance-related elements of remuneration, taking into account the circumstances. Failure will not be rewarded.

Directors' Remuneration Policy report

continued

External directorships

Any additional external appointments can only be undertaken with the Board's written approval and if time and commitments allow. Executive directors require the Board's approval to accept external appointments as non-executive directors and retain any associated fees.

Shareholder consultation

Where appropriate, the Committee will consult relevant institutional shareholders in advance of substantial changes to the Policy or individual executive director remuneration packages. Relevant institutional shareholders were consulted ahead of the introduction of the current Remuneration Policy, which was approved at the 2023 AGM.

Wider workforce remuneration and how the views of employees have been taken into account

When setting pay for the executive directors, the Committee considers remuneration structures elsewhere in the Group, including the overall salary increase budget and incentive structures. The Committee also takes into account available market sector data obtained through benchmarking, as well as Government policies and advice from the Executive management team.

The total package on offer remains competitive at all levels of the Group. The comprehensive range of benefits includes flexible working arrangements, a minimum of 28 days' holiday and the opportunity to purchase further days, a company pension plan, paid volunteering days, car allowance, a regular SAYE scheme and health insurance plan. These wider benefits are communicated to staff via Galileo, the company's intranet system, and via the Employee Value Proposition, a summary letter to all employees detailing the wider benefits available.

The Board does not consult employees on executive remuneration but does ensure it understands employee views on matters including rewards and benefits, which are an agenda item for the Employee Forum. The Employee Forum is chaired by Sally Boyle, Remuneration Committee Chair, and also discusses business updates and feedback from employee representatives on key topics such as people and engagement initiatives, communication and wellbeing, as well as rewards and benefits.

The Employee Forum ensures employees have a voice in the boardroom, strengthens internal communications, enables employees to offer ideas, champions change and supports good governance. It can also act as a representative body for communicating with employees and obtaining feedback about matters that may affect their employment. Further information on the Employee Forum can be found on page 94.

Annual report on remuneration

This part of the Directors' Remuneration report sets out how the Remuneration Policy was implemented over the year ended 30 June 2025. It will be put to an advisory vote at the 2025 AGM. Certain sections of this annual report on remuneration have been subject to audit.

The Directors' Remuneration report has been prepared in accordance with The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 (applying to financial years starting on or after 10 June 2019), the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 and the Financial Conduct Authority's Listing Rules.

The auditor is required to report on the remuneration data disclosed in the Directors' Remuneration report section and state whether, in its opinion, that part of the report has been properly prepared in accordance with relevant provisions of the Companies Act 2006 (as amended).

Directors' remuneration and single-figure annual remuneration (audited)

The remuneration of the directors serving during the financial year, together with 2024 comparative figures, was as follows:

	Salary and fees £000		Taxable benefits ¹ £000		Pensions ² £000		Total fixed remuneration £000		Annual bonus ³ £000		LTIP £000		Buyout ¹¹		Sharesave £000		Total variable remuneration £000		Total remuneration £000	
	2025 ³	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024 ⁴	2025	2024	2025	2024	2025	2024	2025	2024
Executive directors																				
Bill Hocking	524	502	7	6	42	40	573	548	605	558	1,666	845	-	-	-	-	2,271	1,403	2,844	1,951
Kris Hampson ¹⁰	320	-	0	-	21	-	341	-	305	-	-	-	36	-	-	-	341	-	682	-
Non-executive directors																				
Alison Wood	192	183	-	-	-	-	192	183	-	-	-	-	-	-	-	-	-	-	192	183
Sally Boyle	56	53	-	-	-	-	56	53	-	-	-	-	-	-	-	-	-	-	56	53
Michael Topham	51	49	-	-	-	-	51	49	-	-	-	-	-	-	-	-	-	-	51	49
Kevin Boyd ⁵	63	16	-	-	-	-	63	16	-	-	-	-	-	-	-	-	-	-	63	16
Former directors																				
Andrew Duxbury ⁶	-	370	-	3	-	21	-	394	-	-	-	-	-	-	-	-	-	-	-	394
Marisa Cassoni ⁷	27	63	-	-	-	-	27	63	-	-	-	-	-	-	-	-	-	-	27	63
Terry Miller ⁸	-	21	-	-	-	-	-	21	-	-	-	-	-	-	-	-	-	-	-	21

1 Includes the value of benefits such as car allowance and medical insurance.

2 This is a salary supplement paid to the directors in lieu of direct pension contributions.

3 On 1 April 2025 salaries for the non-executive directors increased by 3%. The salary for Bill Hocking increased by 2.88% and for Kris Hampson increased by 3.16%. This is below the average salary budgeted increase across the workforce of 3.25%.

4 The 2021 LTIP awards vested on 7 October 2024. The LTIP figures reported in 2024 and the corresponding single figure for that year were based on an estimated share price, being the average share price over the three months to 30 June 2024. These have now been updated with the actual value at vesting of £1,110,587 for Bill Hocking using the share price as at the date of vesting of £3.27.

5 The fee paid to Kevin Boyd in 2024 is the annual fee pro-rated to reflect that he joined on 1 March 2024.

6 Andrew Duxbury resigned from the Board on 31 May 2024. The payment above reflects his time in the role of Finance Director and Andrew did not receive a salary increase during the year 2023/24. Details of his leaving arrangements are set out on page 120 of the 2024 Annual Report. His outstanding LTIP and deferred bonus awards lapsed with immediate effect and no bonus was payable for 2023/24.

7 Marisa Cassoni resigned from the Board on 28 November 2024.

8 Terry Miller resigned from the Board on 31 October 2023.

9 The annual bonus figure quoted is the total bonus including the deferred share element associated with the performance conditions in that year. See page 109 for further explanation of the rules relating to the Annual Bonus Plan.

10 The salary, benefits, pension and bonus paid to Kris Hampson are pro-rated annual amounts to reflect that he joined on 2 September 2024.

11 The buyout figure is the value paid to Kris Hampson as compensation for the forfeited benefits from his previous employer. See page 118 for further information.

2025 Annual bonus outcome (audited)

For the financial year ended 30 June 2025, the annual bonus measures, targets, weightings and performance are set out in the table below.

Senior management were subject to similar targets, which were applied to their respective business performance.

Measure	Weighting	Performance target			Actual performance	Payout % of bonus maximum
		Threshold (% of maximum bonus)	On-target (% of maximum bonus)	Maximum (% of maximum bonus)		
Pre-exceptional full-year Group profit before tax ¹	45%	£33.3m (0%)	£35.0m (22.5%)	£40.3m (45%) ¹	£43.6m	45%
Pre-exceptional half-year Group profit before tax	15%	£14.4m (0%)	£16.0m (7.5%)	£18.4m (15%)	£20.0m	15%
Group cash management	20%	95% of budget (10%)	100% of budget (10%)	110% of budget (20%)	110%	20%
Construction order book	8%	83.0% secured (0%)	85.0% secured (4%)	87.0% secured (8%)	92% secured	8%
ESG²:						
Employee: based on employee advocacy	3%	<80% (0%)	>80% (3%)	>80% (3%)	87%	3%
Carbon emissions: based on annual reduction of Scope 1 and 2 emissions (marked based)	3%	5% reduction (0%)	7.5% reduction (1.5%)	10% reduction (3%)	41.2% increase	0%
Community: based on CCS score	3%	<38 (0%)	>38 (3%)	>38 (3%)	43.9	3%
Supply chain: payment of supply chain invoices within 60 days	3%	<95% (0%)	>95% (3%)	>95% (3%)	96.9%	3%
Health and safety: based on discretionary assessment of H&S performance	Underpin	Discretionary adjustment				
Total payout (% of maximum bonus)	100.0%	10%	54.5%	100%		97%

1 The full-year Group profit before tax was calculated on a pre-exceptional basis when the bonus measures for this scheme were put in place, although there were no exceptional items to take into account this year. See Note 32 for further information.

2 The ESG metrics are aligned to the Group's published strategy with the targets based on industry guidelines, averages or the Group's stated ambition. The 2021 carbon comparative metric was reinstated in 2023 onwards to incorporate the operation of nmcn (acquired October 2021).

The Group achieved a strong performance against targets set at the start of the financial year. Taking into account the Group's profitability and enhanced dividends to shareholders, the Committee determined that the bonus level produced by the scorecard of 97% is an appropriate reward given the Group's operational and financial performance. This treatment is consistent with that applied for all participants of the ABP. The ABP 2024/25 bonus target in 2024 onwards incorporated a 12% target for ESG factors, which include people, carbon emission, community and supply chain metrics. Under the approved Policy, the Committee may, at its discretion, acting fairly and reasonably, adjust bonus outcomes if it considers the payout is inconsistent with the Group's performance during the year, taking into account factors including safety and ESG. In considering bonus awards the Committee took the Group's health and safety performance and ESG initiatives into consideration. The Group achieved an overall Accident Frequency Rate (AFR) of 0.03 for 2024/25, (AFR for 2023/24: 0.04) with 13 of the 21 business units achieving an AFR of zero during the year.

The Committee determined that, in respect of the year to 30 June 2025, the resulting annual bonus awards were as follows:

	On-target bonus (% of salary)	Maximum bonus (% of salary)	Actual bonus payable for 2024/25 (£000)	Cash (£000)	Shares (£000)
Bill Hocking	65.4%	120%	605	375	230
Kris Hampson ¹	54.5%	100%	305	206	99

1 The bonus figure for Kris Hampson is pro-rated from his joining the company on 2 September 2024 to 30 June 2025.

Two-thirds of the bonus earned in excess of the 50% of salary threshold is required to be deferred into restricted shares. Although beneficially held by the participants, the allocated restricted shares are legally retained by the Employee Share Trust and are subject to forfeiture provisions, unless otherwise agreed by the Committee. Subject to continued employment, the restricted shares are legally transferred to participants on the third anniversary of allocation. Recovery provisions apply at any time within the three-year period post-vesting or payment of cash bonuses in circumstances or error, material misstatement, misconduct, reputational damage or corporate failure as a result of poor risk management.

LTIP awards vesting in September 2025 (audited)

The LTIP awards granted to Bill Hocking on 23 September 2022 were based on 75% underlying EPS performance and 25% on average month-end cash as a percentage of annual turnover over the three years to 30 June 2025. In total, 95.3% of the maximum award was vested as a result of the performance achieved. The Committee was satisfied that this outcome reflected the true performance of the Group and no discretion was applied. The awards will be subject to a two-year post vesting holding period in accordance with the existing Remuneration Policy. More details on each of the performance conditions are set out below.

	Threshold EPS condition (25% vesting)	Stretch EPS condition (100% vesting)	Actual performance	Threshold average month-end cash ¹ condition (25% vesting)	Stretch average month-end cash ¹ condition (100% vesting)	Actual performance ¹	% of overall award vesting	Value of award vesting ² (£000)	Element of value attributable to share growth ² (£000)
Bill Hocking	23.2p	28.4p	33.3p	8%	10%	9.5%	95.3%	1,666	987

1 As a percentage of annual turnover.

2 Estimated based on the average share price over the three months to 30 June 2025.

Directors' share plan interests (audited)

Outstanding awards held by Bill Hocking and Kris Hampson during the year are detailed in the table below.

Director	Plan	Grant date	Share price at grant	Number of awards outstanding at 1 July 2024	Granted	Vested	Lapsed	Number of awards outstanding at 30 June 2025	Value of awards vested during financial year	Actual or anticipated vesting date
Bill Hocking	LTIP ¹	23.09.21	£1.788	385,067	–	339,629	45,438	–	£1,110,587	07.10.24
	ABP ²	23.09.21	£1.7694	118,684	–	118,684	–	–	£388,097	07.10.24
	LTIP	23.09.22	£1.61	442,546	–	–	–	442,546	–	23.09.25
	ABP ³	28.09.22	£1.60	133,875	–	–	–	133,875	–	28.09.25
	LTIP	25.09.23	£2.36	315,572	–	–	–	315,572	–	25.09.26
	ABP ⁴	27.09.23	£2.349	46,462	–	–	–	46,462	–	27.09.26
	LTIP ⁵	08.10.24	£3.23	–	241,486	–	–	241,486	–	08.10.27
	ABP ^{5,6}	10.10.24	£3.228	–	63,982	–	–	63,982	–	10.10.27
Kris Hampson	LTIP ⁵	08.10.24	£3.23	–	176,470	–	–	176,470	–	08.10.27

1 Awards are based on a maximum percentage of salary. The number of shares shown in the table represents the maximum number of shares, ie 150% of salary.

2 In accordance with the rules of the Annual Bonus Plan, the average of the company's closing share price for the five business days following (and including) the announcement of the annual results on 16 September 2021 was 176.94 pence.

3 In accordance with the rules of the Annual Bonus Plan, the average of the company's closing share price for the five business days following (and including) the announcement of the annual results on 21 September 2022 was 160 pence.

4 In accordance with the rules of the Annual Bonus Plan, the average of the company's closing share price for the five business days following (and including) the announcement of the annual results on 27 September 2023 was 234.90 pence.

5 The 2021–2024 Long Term Incentive Plan award and the 2021–2023 Annual Bonus Plan grant were due to vest on 23 September 2024, however, vesting was postponed following the delay in announcing the 2024 full-year financial results (originally planned to be announced on 19 September 2024). These results were announced on 3 October 2024, enabling these awards to be calculated and vest on 8 October 2024.

6 In accordance with the rules of the Annual Bonus Plan, the average of the company's closing share price for the five business days following (and including) the announcement of the annual results on 3 October 2024 was £3.228.

Payments to former directors

Marisa Cassoni resigned from the Board during the year and, in line with the Policy, received her fee up to 28 November 2024.

Annual report on remuneration

continued

Remuneration arrangements for new Chief Financial Officer, including compensation for forfeited awards

On 2 September 2024 Kris Hampson was appointed Chief Financial Officer. On appointment his remuneration consisted of

- ➔ salary of £380,000;
- ➔ a pension contribution in line with the company's workforce policy of 8% of salary;
- ➔ maximum bonus opportunity of 100%; and
- ➔ maximum LTIP grant of 150%.

In line with the Remuneration Policy, the Committee also approved a buyout to compensate Kris Hampson for awards forfeited on resignation from his previous position. Under the terms of this buyout he will receive the value forfeited based on the performance conditions of his previous employer, which will be determined at the time of the normal vesting of the forfeited awards. Two LTIP awards were forfeited and the buyout will be aligned to the vesting schedule of his former employer and replaced with Galliford Try shares in October 2025 and October 2026.

The first of these has been assessed to be worth £35,857 based on the vesting percentage, dividend equivalents and share price of the former employer. This amount will be delivered in Galliford Try shares in October 2025. Full details of the second forfeited award will be provided in the 2026 Annual Report.

Awards granted during the year (audited)

On 10 October 2024, the following conditional LTIP awards were made to Bill Hocking and Kris Hampson.

Director	Date of grant	Number of shares awarded	Basis of award	Share price used to determine level of award £	Face value £
Bill Hocking	8 October 2024	241,486	150% of base salary	£3.23	780,000
Kris Hampson	8 October 2024	176,470	150% of base salary	£3.23	570,000

The performance conditions attached to these awards made in October 2024 are as follows:

Date of grant	Performance conditions
October 2024	Vesting of up to 75% of the award is based on underlying EPS. 25% of the element will vest for 33.9p, increasing to 100% vesting on a straight-line basis if 41.5p underlying EPS is achieved during the final year of the three-year performance period (1 July 2026 to 30 June 2027). Vesting of up to 25% of the award is based on average month-end cash as a percentage of annual turnover in the year ending 30 June 2025. 8% would generate 25% of the element vesting and 10% would generate 100% vesting on a straight-line basis. Any shares that vest will be subject to a two-year post-vesting holding period, in accordance with the Remuneration Policy. Malus and clawback apply at any time within a three-year period post-vesting, in the case of material misstatement, misconduct, reputational damage or corporate failure as a result of poor risk management.

Directors' share interests (audited)

As at 30 June 2025, the Directors held the following beneficial, legal and unvested ABP interests in the Group's ordinary share capital.

	Legally owned ¹			Deferred bonus awards (unvested)	Total	% of salary held under share ownership guidelines ²
Measure	30.6.25	30.6.24	LTIP (unvested)		30.6.25	
Executive directors						
Bill Hocking	1,069,126	826,221	999,604	244,319	2,313,049	1,030%
Kris Hampson ⁴	6,250	6,250	176,470	–	182,720	7%
Non-executive directors						
Alison Wood ³	–	–	–	–	–	n/a
Sally Boyle ³	–	–	–	–	–	n/a
Michael Topham ³	–	–	–	–	–	n/a
Kevin Boyd ³	8,000	8,000	–	–	8,000	n/a

1 Either held by the individual or connected persons.

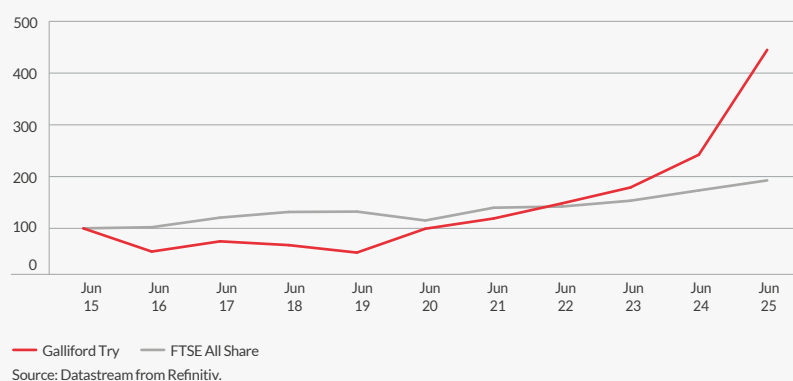
2 Under the current Remuneration Policy, the share ownership guideline for executive directors is 200% of base salary.

3 Alison Wood and Sally Boyle joined the Board on 1 April and 1 May 2022. Michael Topham joined the Board on 1 June 2023 and Kevin Boyd joined 1 March 2024.

4 Kris Hampson joined the Board on 2 September 2024 and held 6,250 shares in the company on appointment.

Total Shareholder Return (TSR) graph

Value (£) (rebased)



The graph shows the TSR for Galliford Try shares over the last 10 financial years. It shows the value to 30 June 2025 of £100 invested in Galliford Try on 30 June 2015 compared with the value of £100 invested in the FTSE All-Share Index, this being a broad-market index of which the company has been a constituent over the full period shown.

The closing mid-market quotation for the company's shares on Monday 30 June 2025, was 419.50p. The high and low during the year were 425.0p and 244.0p.

The total gross remuneration of the Chief Executive and the percentage achieved of the maximum ABP and LTIP awards are shown in the table below for the past 10 financial years.

	2016 ¹	2017	2018	2019 ²	2020 ³	2021	2022	2023	2024	2025
Total remuneration (£000)	1,461	1,043	1,448	824	660	1,027	1,937	2,429	1,951	2,844
Annual bonus (% of maximum)	74%	46.3%	86.5%	57.0%	36.7%	100.0%	100.0%	70.4%	93.4%	97%
LTIP (% of maximum)	–	16.5%	36.6%	16.5%	–	–	89%	97.2%	88.2%	95.3%

1 Peter Truscott was appointed Chief Executive on 1 October 2015 and stepped down as Chief Executive and from the Board on 26 March 2019.

2 Graham Prothero was appointed Chief Executive on 26 March 2019, succeeding Peter Truscott. He stepped down from the Board and as Chief Executive following the successful completion of the sale of the housebuilding divisions to Vistry Group plc on 3 January 2020.

3 Bill Hocking was appointed Chief Executive on 3 January 2020. A full-year remuneration figure based on the aggregate paid to Bill and Graham is shown here to aid comparison.

Annual report on remuneration

continued

CEO pay ratios

Under Option B (gender pay data), three employees have been identified as the best equivalents to represent the lower, median and upper quartiles. Option B provides a clear methodology involving fewer adjustments to calculate full-time equivalent earnings.

Year	Method	CEO single figure	All UK employees	Lower quartile	Median	Upper quartile
2019/20	Option B	£660,587	Ratio	24:1	15:1	9:1
			Total pay	£27,407	£43,165	£74,351
			Salary	£25,500	£35,249	£61,057
2020/21	Option B	£1,026,671	Ratio	27:1	19:1	14:1
			Total pay	£37,399	£54,374	£73,385
			Salary	£36,134	£43,781	£66,927
2021/22	Option B	£1,936,788	Ratio	62:1	36:1	26:1
			Total pay	£31,128	£53,976	£73,920
			Salary	£27,875	£44,720	£62,275
2022/23	Option B	£2,428,970	Ratio	66:1	45:1	31:1
			Total pay	£36,562	£54,444	£79,638
			Salary	£29,411	£48,003	£65,950
2023/24	Option B	£1,950,670	Ratio	44:1	35:1	27:1
			Total pay	£44,125	£55,120	£72,918
			Salary	£42,272	£49,554	£66,725
2024/25	Option B	£2,844,086	Ratio	73:1	50:1	35:1
			Total Pay	£38,913	£57,037	£80,968
			Salary	£36,223	£53,608	£73,550

The Chief Executive figure includes earnings from the Long-Term Incentive Plan. Long-term incentives are operated for the most senior Group employees only, namely those responsible for strategy development and execution. The payouts from such plans are expected to be volatile from cycle to cycle.

The Committee is comfortable that the resulting calculations are representative of pay levels at the respective quartiles and that the applicable relativities are appropriate given the profile of the workforce.

Relative importance of spend on pay

	2023/24	2024/25	Change
Total overall spend on pay (£m)	284.2	311.6	27.4m
Dividends (£m)	24.2	17.5	(6.7)m
Share buyback (£m)	4.4	10.0	5.6m
Group corporation tax charge (£m) ¹	5.4	10.7	5.3m
Effective tax rate (%) ¹	15.4	23.9	8.5pts

¹ Adjusted tax.

The equivalent total overall spend on pay in 2024/25 is disclosed in note 5 to the financial statements. The total overall spend on pay equates to average remuneration per staff member of £72,533 per annum as at 30 June 2025 (2024: £68,947).

Composition of the Remuneration Committee and attendance

In addition to the Chair, Sally Boyle, the other Committee members were Alison Wood, Michael Topham and Kevin Boyd. Marisa Cassoni was a Committee member until 24 November 2024 when she stepped down from the Board. The General Counsel & Company Secretary acts as Secretary to the Committee. The Chief Executive has a standing invitation to attend all Committee meetings. The HR Director attends certain meetings at the invitation of the Committee. No director, the General Counsel & Company Secretary or HR Director is present when their own remuneration is being considered. Attendance at Committee meetings is shown in the table on page 87.

The Committee is governed by formal terms of reference agreed by the Board and is composed solely of non-executive directors. The terms of reference were reviewed during the year and are available on the Group's website (www.gallifordtry.co.uk).

Remuneration advice and advisers

The Committee is informed of key developments and best practice in the field of remuneration and obtains advice from independent external consultants, when required. Mercer Limited (Mercer) was the Committee's remuneration consultant throughout the year. Fees paid to Mercer during the financial year were £19,233 (2024: £13,300).

Mercer does not provide any other services to the Group, although Mercer is part of Marsh & McLennan Companies, a subsidiary of which, Marsh JLT Specialty Limited, provides insurance broking services to the Group. The Committee is satisfied that these services do not impinge on Mercer's independence. Furthermore, Mercer is a signatory to the Remuneration Consultants Group Code of Conduct, which requires that its advice be objective and impartial.

The General Counsel & Company Secretary also advises the Committee as necessary and, where appropriate, makes arrangements for the Committee to receive independent legal advice at the request of the Chair.

Employee Share Trust and dilution

The Employee Share Trust (EST) is the primary mechanism by which shares required to satisfy the Executive incentive plans are provided. Following the announcement of the 2024 full-year results in October 2024 the annual review of the number of shares held by the EST was carried out and it was agreed there were currently sufficient shares in place.

As at 30 June 2025, the EST held 3,066,609 ordinary shares in the capital of the company (3.00%) (2024: 3,824,949 shares). Under the terms of the Trust Deed, the Trust may only hold up to a maximum of 5% of the issued shares in the company.

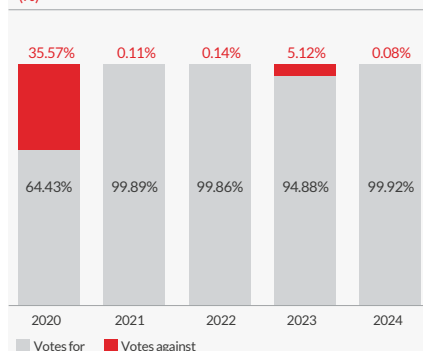
During the financial year, 951,335 new shares were issued arising from share scheme-related activities under the SAYE share option scheme. As at 30 June 2025, the total number of shares outstanding under the SAYE share option scheme was 2,703,109. The Group has complied with the dilution guidelines of the Investment Association (Guidelines).

Applying the Guidelines, the Group has used 4.78% of the 10% headroom in 10 years' rule and, on the basis that the Group's practice is that all awards granted pursuant to discretionary plans are satisfied using shares purchased in the market, the Group has not used any of the headroom against the '5% in 10 years' rule for discretionary plans.

Shareholder voting on the Directors' Remuneration report

The Committee takes account of annual shareholder voting trends in connection with the Directors' Remuneration report. Votes cast in support of the annual advisory resolution to approve the Directors' Remuneration report during the past five AGMs are included in the chart below.

Votes cast
(%)



The Board will continue to engage with shareholders to ensure their views are fully understood and considered and can be taken into account by the Committee in the future. The Committee and Board are grateful to shareholders for the strong support provided.

The current Policy was approved by 99.3% of shareholders who voted at the 2023 AGM and the advisory vote on the Annual Report on Remuneration was supported by 94.88%.

Forward-looking implementation of policy

Base salaries

The 2025/26 salary review was completed in April 2025. The Committee carefully scrutinised pay and conditions across the Group. Taking into account market conditions, peer group comparisons and the Group's overall performance, the overall pay budget increased by 3.25%. With effect from 1 April 2025, Bill Hocking's annual salary increased from £520,000 to £535,000, an increase of 2.88%, the increase being below the average pay increase across the workforce. Kris Hampson was appointed on a salary of £380,000 on 2 September 2024 and received an annual salary increase of 3.16% to £392,000 on 1 April 2025.

ABP

For the financial year to 30 June 2026, the Committee has determined that the existing bonus structure remains appropriately aligned to corporate strategy. It will therefore remain in its current form, with an opportunity of 120% of salary for the Chief Executive, and 100% for other executive directors.

Bonus outcomes will be subject to overall Committee discretion, taking into account factors including health and safety and the underlying performance of the Group. The Committee intends to continue to include ESG annual bonus measures in 2025/26 aligned to the Group's strategy on ESG, with an ESG target in total of 12%. The ESG measures will include metrics on the order book, employees, carbon, community and the supply chain.

Annual report on remuneration

continued

LTIP

Any award granted to the executive directors in 2025 will be within the approved Remuneration Policy and based on performance metrics, with 75% based on earnings per share and 25% on average month-end cash as a percentage of revenue.

Performance measures applied over a three-year performance period to 30 June 2028 are:

- ➔ 25% of the EPS element will vest if underlying EPS is 41.4 pence, increasing to 100% vesting on a straight-line basis if 50.6 pence is achieved.
- ➔ 25% of the cash element will vest if average month-end cash is 8% of revenue, increasing to 100% vesting on a straight-line basis if 10% is achieved.

Chair and non-executive directors' fees

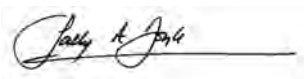
The Committee determined that the Chair's fee for 2025/26 would be increased by 3%. In addition, and following a review of the non-executive directors' fees by the Board, it was agreed that the non-executive directors' fees would increase by 3%.

Accordingly, the annual fees effective from 1 April 2025 are as follows:

	2025	2024	Increase/ Change %
Chair	£195,896	£190,190	3.0%
Non-executive directors			
Base fee	£52,275	£50,752	3.0%
Additional fees:			
Senior Independent Director ¹	£9,831	£5,065	94.1%
Chairs of Board Committees	£9,831	£9,545	3.0%
Chair of Employee Forum	£4,931	£4,787	3.0%

1 On 14 November 2024 Kevin Boyd became the Senior Independent Director, following the resignation of Marisa Cassoni, and it was agreed that the Senior Independent Director fee be increased from £5,065 to £9,545 from November 2024, to align with the Chairs of Board Committees fee. This increased by 3% to £9,831 on 1 April 2025.

For and on behalf of the Board



Sally Boyle
Remuneration Committee Chair

17 September 2025

Directors' report

The directors present their Annual Report and audited financial statements for the Group for the financial year ended 30 June 2025.

Principal activities

Galliford Try is a trading name of Galliford Try Holdings plc, a leading UK construction group, which has an equity securities (commercial companies) category listing and whose shares are traded on the main market of the London Stock Exchange. The Group operates as Galliford Try and Morrison Construction and carries out building and infrastructure projects with clients in the public, private and regulated sectors across the UK. Galliford Try Holdings plc, registered in England and Wales with company number 12216008, is the Parent company of the Group.

More detailed information regarding the Group's activities is provided on pages 1 to 81. The Group's subsidiaries and joint ventures are shown in note 33 to the financial statements.

Strategic report

The Strategic report can be found on pages 1 to 81. It contains an indication of the directors' view on likely future developments in the Group's business. In addition, and in accordance with the Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016, the Strategic report contains information on employees, social and environmental matters, human rights and anti-corruption and anti-bribery matters, as well as a description of the Group's policies and where these are located.

In accordance with section 414CZA of the Companies Act 2006, the Strategic report contains a section 172 (1) statement describing how directors have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing their duty under section 172. Please refer to pages 76 to 81.

The Annual Report and financial statements use financial and non-financial key performance indicators wherever possible and appropriate.

Corporate governance report

The Corporate governance report on pages 82 to 96 is the corporate governance statement for the purposes of the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule 7.2.1.

Results, dividends and capital

The adjusted profit for the year before income tax was £45.0m, as shown in Note 32. On 5 March 2025, the Board declared an interim dividend of 5.5p per share, which was paid to shareholders on 11 April 2025. The Board has proposed a final dividend of 13.5p per share. Subject to approval by shareholders, this will be paid on 5 December 2025 to shareholders on the register at 7 November 2025, resulting in a total dividend in 2025 of 19.0p per share. Dividend cover is expected to be 1.8 times earnings.

On 3 October 2024, the Board announced a further share buyback programme of a maximum of £10m, reflecting both a corporation tax refund and our confidence in future cash generation.

On 17 September 2025, we announced a new share buyback programme up to a maximum of £10m.

i Please refer to pages 52 to 53 for an overview of the Group's capital structure and funding.

Share capital, authorities and restrictions

The company has one class of ordinary share capital, with a nominal value of 50 pence. The ordinary shares rank *pari passu* in respect of voting and participation and are traded on the Main Market of the London Stock Exchange.

At 30 June 2025, the company had 102,141,268 ordinary shares in issue. Votes may be exercised at general meetings of the company by members in person, by proxy or by corporate representatives (in relation to corporate members). The company's Articles of Association (the Articles) set a deadline for submitting proxy forms (electronically or by paper) of not less than 48 hours, taking no account of any part of a day that is not a working day, before the time appointed for holding the general meeting or the adjourned meeting (as the case may be).

The directors are authorised at the AGM each year to issue shares, to allot a limited number of shares in the company for cash other than to existing shareholders, and to make market purchases of shares within prescribed limits. The current authorities will expire at the AGM in November 2025. Resolutions to be proposed at the AGM will renew these authorities, which are explained in the Notice of 2025 AGM sent separately to shareholders.

The company issued 856,343 shares following the exercise of options under the company's Sharesave Scheme. To the date of this report, the company has purchased 2,690,861 shares as part of the share buyback programme that commenced in October 2024. All of these shares were cancelled and the share buyback programme was closed on 20 May 2025.

There are no restrictions on transferring the company's shares, except for certain shares held by the Employee Share Trust (EST), which are restricted during the performance periods of relevant Group share plans. Directors and persons discharging managerial responsibilities are also periodically restricted in dealing in the company's shares under the Group's share dealing policy, reflecting the requirements of the FCA Market Abuse Regulation. In certain specific circumstances, the directors are permitted to decline to register a transfer in accordance with the Articles. There are no other limitations on holdings of securities, and no requirements to obtain the approval of the company, or other holders of shares in the company, prior to the share transfer. The company is not aware of any agreements between holders of shares that may restrict the transfer of shares or voting rights.

There are no shares carrying specific rights relating to control of the company. The EST holds shares in the company in connection with Group share plans that have rights relating to control of the company that are not exercisable directly by the employee. The EST abstains from voting in respect of these shares. The EST currently holds 3.00% of the issued share capital of the company for the purposes of satisfying employee share options or share awards.

Articles of Association

The Articles, adopted pursuant to a resolution passed on 5 November 2019, set out the company's internal regulations and define various aspects of its constitution, including the rights of shareholders, procedures for appointing and removing directors, and the conduct of directors and general meetings.

In accordance with the Articles, directors can be appointed or removed either by the Board or shareholders in a general meeting. Amendments to the Articles require shareholder approval by passing a special resolution in a general meeting. Copies of the Articles are available by contacting the General Counsel & Company Secretary at the registered office.

Significant direct and indirect holdings

As at 30 June 2025, being the date of this Annual Report, the Group had been made aware of the following beneficial interests in 3% or more of the company's ordinary share capital:

Shareholder	Interest	% capital
Aberforth Partners LLP	10,180,285	9.97%
J O Hambro Capital Management Limited	7,814,872	7.65%
Premier Miton Group plc	6,136,291	6.01%

Between 1 July 2025 and the date of this report, the following change to the significant direct and indirect holdings information was received:

Shareholder	Interest	% capital
JP Morgan Asset Management (UK) Limited	5,129,134	5.02%
Premier Miton Group plc	5,081,707	4.97%
Aberdeen Group plc	Not declared	Below 5%

Change of control provisions

All the Group's share plans contain provisions relating to a change of control. The respective plan rules permit outstanding awards to vest on a proportional basis and then become exercisable in the event of a change of control, subject to the satisfaction of any performance conditions and Remuneration Committee approval. Other than in relation to share schemes as described above, the Group has not entered into any agreements with its directors or employees that provide for compensation for loss of office or employment in the event of a takeover or change of control of the Group.

The agreements governing the Group's joint ventures all have appropriate change of control provisions, none of which is significant in the context of the wider Group.

Directors' interests and indemnities

Summary biographies of the directors of the company as at 30 June 2025 are on pages 88 to 89. The directors' interests in the company's share capital are set out on page 118 and details of executive directors' service contracts and non-executive directors' letters of appointment can be found on page 113.

The Group operates a formal procedure for disclosing, reviewing and authorising directors' actual and potential conflicts of interest, in accordance with the Companies Act 2006. In addition, the Board reviews and authorises conflicts of interest, as necessary, on an annual basis.

The Group maintained Directors' and Officers' Liability insurance on behalf of the directors and General Counsel & Company Secretary throughout the financial year. In addition, individual qualifying third-party indemnities are provided to the directors and General Counsel & Company Secretary, that comply with the provisions of section 234 of the Companies Act 2006 and were in force throughout the year and up to the date of signing this Annual Report.

Employees

The Group is committed to best-practice employment policies that promote equal opportunities for all employees. We value everyone as an individual, recognising that everyone is different and has different needs at work. We respect people's differences and treat everyone with dignity and respect. We aim to create a culture in which everyone feels valued and is motivated to give their best.

The Group gives full and fair consideration to applications for employment from disabled persons, taking into account their aptitudes and abilities. The Group has signed up to the Government's Disability Confident scheme. We carry out regular workplace assessments and provide occupational health checks and advice to support both employees and line managers. Appropriate arrangements are made for the continued training and employment, career development and promotion of disabled persons. If existing members of staff become disabled, the Group endeavours to continue employment, either in the same or an alternative position, with appropriate retraining and occupational assistance being given if necessary.

Employee engagement and consultation is encouraged through the Employee Forum (see page 94), as well as regular informal discussions and feedback, formal annual appraisals, business unit staff forums and periodic employee surveys.

Details of where to find information regarding the Group's employee remuneration policies, employment practices and employee involvement are provided in the Strategic report on pages 1 to 81 and the Remuneration Policy Report on pages 108 to 114.

Details of where to find information on other matters of importance to stakeholders such as environmental, social and community matters, human rights and anti-corruption, related policies and their impact can also be found in the Strategic report.

Significant agreements

There are no persons with which the Group has contractual or other arrangements that are essential to its business.

Charitable and political donations

For information regarding charitable donations made through employees' volunteering or donation of materials, please refer to the Strategic report on page 38.

The Group's policy is to avoid making political donations of any nature and none were made during the financial year. The Group notes the wide application of Part 14 of the Companies Act 2006, but does not consider the construction industry bodies of which it is a member to be political organisations for the purposes of the Act.

Emissions

Details of the Group's greenhouse gas emissions for the financial year can be found on pages 32 to 35 and are included by reference in this report.

Streamlined energy and carbon reporting (SECR)

The data included in the table below, together with the Scope 1 and 2 emissions intensity ratio disclosed on page 34 covers the reporting requirements detailed in the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. As we report our carbon and energy data in calendar years, the following section represents our carbon and energy performance for the calendar years 2023 and 2024.

Emissions source	Emissions tCO ₂ e	
	Calendar year 2024	Calendar year 2023
Emissions from combustion of gas (Scope 1)	168	233
Emissions from combustion of fuel for transport purposes (Scope 1)	3,956	4,493
Emissions from fuel oil supplies ie diesel consumed (Scope 1)	9,185	4,612
Fugitive emissions from office facilities ie air conditioning systems (Scope 1)	4	-
Emissions from purchased electricity (Scope 2, location-based)	2,018	2,021
Emissions from purchased electricity (Scope 2, market-based)	1,497	1,148
Emissions from fuel and energy-related activities (Scope 3)	4,067	3,019
Emissions from business travel (Scope 3)	982	791
Emissions from employee commuting (Scope 3)	3,825	3,318

Methodology and conversion factors

Carbon dioxide equivalent emissions (tCO₂e) are calculated using the GHG Protocol Corporate Accounting and Reporting Standard and the UK Government GHG Conversion Factors and Methodology for company reporting 2024. The emissions included in the table have been externally verified to the ISO 14064-3 greenhouse gas statements standard by the Carbon Trust. Emissions cover all those arising from our fleet, gas and electricity in all offices and sites, and all other fuel used directly (for example diesel on site) including our share of emissions from joint ventures. Where data is obtained in litres used and distance travelled, these conversion factors have been used to convert to kWh.

Annual energy usage

Our total energy use, calculated from Department for Environment, Food and Rural Affairs (Defra) 2024 conversion factors, for all our UK activities increased by 36% in 2024 to 69,555,958 kWh (2023: 51,001,569 kWh).

The increase in energy usage in 2024 is driven by a circa 100% increase in the volume of diesel used on our projects. As outlined in more detail on page 33, this reflects high rates of growth in our Infrastructure and Environment businesses, which have the highest intensity of diesel use. The increase in diesel use was partially offset by reductions in the amount of purchased electricity and fuel used in company cars, reflecting recent moves into more energy-efficient offices and the transition of our company car fleet to battery electric and plug-in hybrid only.

Energy consumption is calculated using the same reporting boundary (operational control) that we use to calculate our carbon emissions. This increase reflects the growth of the business, but has been minimised by energy efficiency measures, including the transition to renewable energy.

Creditor payment policy

The Group's policy is to agree payment terms contractually with suppliers and subcontractors, ensure the relevant terms of payment are included in contracts, and to abide by those terms when satisfied that goods, services or assets have been provided in accordance with the agreed contractual terms. Following the discontinuation of the Prompt Payment Code in October 2024, the Group applied for membership of the Fair Payment Code, and was awarded the Bronze award in May 2025. This contains, among other things, commitments to treat our supply chain fairly and pay 95% of our supply chain invoices within agreed contract terms and within 60 days, which we have consistently achieved. Our standard payment terms are a maximum of 45 days.

Financial instruments

Further information regarding the Group's financial instruments, related policies and a consideration of its liquidity and other financing risks, can be found in the Financial review from page 50 and in note 23 to the financial statements.

Important developments during the year

As announced on 3 October 2024 the Group launched a share buyback programme for up to a maximum of £10m consideration, which was completed on 21 May 2025. See page 53 for more information.

As announced on 5 March 2025 the Group successfully entered into a £25m unsecured revolving credit facility. See page 81 for more information.

Going concern

In accordance with the Financial Reporting Council's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting published in 2014, the requirements of the Code and Listing Rule 6.6.6(3), the Directors have conducted a rigorous and proportionate assessment of the Group's ability to continue in existence for the foreseeable future. This has been reviewed during the financial year and the Directors have concluded that there are no material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Furthermore, the Group has adequate resources and visibility as to its future workload, as explained in this Annual Report. As a result, the Directors are satisfied that the Group has adequate resources to meet its obligations as they fall due for a period of at least 12 months from the date of approving these financial statements and, accordingly, is able to adopt the going concern basis in preparing these financial statements.

Directors' report

continued

AGM

The 2025 AGM will be held at Peel Hunt LLP, 7th floor, 100 Liverpool Street, London, EC2M 2AT on Thursday 13 November 2025 at 11.00am. The Notice convening the AGM, sent to shareholders separately, explains the items of business that are not of a routine nature.

Further information on arrangements for the AGM and voting instructions will be set out fully in the Notice of AGM and Form of Proxy.

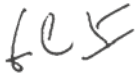
Fair, balanced and understandable

In accordance with the principles of the Code and as further described on page 103, the Group has arrangements in place to ensure that the information presented in this Annual Report is fair, balanced and understandable. The directors consider, on the advice of the Audit Committee, that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, position, business model and strategy.

Approval of report

This Directors' report, the Strategic report, the Corporate Governance report and Directors' Remuneration report were approved by the Board of Directors on 17 September 2025.

For and on behalf of the Board



Kevin Corbett
General Counsel & Company Secretary

17 September 2025

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under company law the directors have prepared the Group and Parent Company financial statements in accordance with UK-adopted International Accounting Standards. Under company law, the directors must not approve the financial statements unless they are satisfied that these give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group and Parent Company for that period.

In preparing the financial statements, the directors are required to:

- ➔ select suitable accounting policies and then apply them consistently;
- ➔ make judgements and accounting estimates that are reasonable and prudent;
- ➔ state whether they have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements 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 Parent Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Group and the Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Group and Parent Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 Group and Parent Company's performance, position, business model and strategy.

Each of the directors, whose names and functions are listed on pages 88 and 89, confirms that to the best of their knowledge:

- ➔ the Parent Company financial statements, which have been prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Parent Company;
- ➔ the Group financial statements, which have been prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- ➔ the Strategic report contained on pages 1 to 81 includes a fair review of the development and performance of the business and the position of the Group and Parent Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each director in office at the date the Directors' Report is approved:

- ➔ so far as the director is aware, there is no relevant audit information of which the Group and Group's auditors are unaware; and
- ➔ they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group and Group's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

For and on behalf of the Board



Bill Hocking
Chief Executive

17 September 2025

Forward-looking statements

Forward-looking statements have been made by the directors in good faith using information up until the date on which they approved this Annual Report. Forward-looking statements should be regarded with caution due to uncertainties in economic trends and business risks. The Group's businesses are generally not affected by seasonality.

Independent auditor's report

to the members of Galliford Try Holdings plc

Opinion on the financial statements

In our opinion:

- ➔ the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 30 June 2025 and of the Group's profit for the year then ended;
- ➔ the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- ➔ the Company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions 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 Galliford Try Holdings plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 30 June 2025 which comprise the Consolidated income statement, the Consolidated statement of comprehensive income, the Balance sheets, the Consolidated and Company statements of changes in equity, the Statements of cash flows and Notes to the financial statements, including 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 Company financial statements, as applied in accordance with the provisions 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. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the audit committee, we were appointed by the Members on 4 November 2019 to audit the financial statements for the year ended 30 June 2020 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 6 years, covering the years ended 30 June 2020 to 30 June 2025. We remain independent of the Group and the Company 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 that standard were not provided to the Group or the Company.

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 the Company's ability to continue to adopt the going concern basis of accounting included:

- ➔ We considered the principal risks identified by the Directors that are associated with the Group's activities, business environment and wider economic and macro-level risks. We assessed these against our views of the risks, based on our understanding of the business and its performance in the year ended 30 June 2025.
- ➔ We tested the integrity and mathematical accuracy of management's forecast model and assessed its consistency with approved budgets.
- ➔ We assessed the appropriateness of the Group's cash flow forecasts in the context of the Group's secured ongoing contracts, the secured new work and forecast potential work which were agreed to the Board approved forecasts.
- ➔ We obtained and evaluated the Directors' downside sensitivities, which included delays to construction resulting in reduced volume of work and also assessed the impact of materials and labour price inflation. As part of these sensitivities, management included a severe but plausible downside scenario combining the sensitivities mentioned which we critically evaluated.
- ➔ We have performed our own sensitivities which included reducing cash inflows based on reduced margins and delaying unsecured revenue, assessing their effect on the going concern assessment. As part of these, we determined the break-even point which involved aggregating the impact of the sensitivities noted.
- ➔ We obtained the new agreement entered into by the Group in the current year in relation to the Revolving Credit Facility to obtain an understanding of the terms and covenants.
- ➔ We obtained and assessed management's covenant calculations at year-end to check the Group was compliant and further evaluated forecast covenant compliance and headroom calculations.
- ➔ We assessed the actual cash performance against forecasts for the current financial year and post year end to evaluate the Directors' accuracy and reliability of the forecasts prepared.
- ➔ We evaluated the adequacy of the disclosures within the Directors' report in relation to the specific risks posed, the scenarios the Directors have considered and conclusions made.

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 the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has 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.

Overview

		2025	2024
Key audit matters	Revenue and profit recognition for construction contracts	X	X
	Recognition and recoverability of claims and variations		X
	Defects liability provision in relation to a legacy infrastructure contract	X	X
	For 2025, the Key Audit Matter on 'Recognition and recoverability of claims and variations' has been combined with the Key Audit Matter 'Revenue and profit recognition for construction contracts'. This change aligns with the risk assessment, with claims and variations being a key consideration and input to revenue and profit recognition.		
Materiality	Group financial statements as a whole		
	£5.7m (2024: £5.2m) based on 0.3% (2024: 0.3%) of revenue.		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the Group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the Group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

The Group comprises 49 legal entities which are predominantly grouped into divisions based on the nature of their operations. Although each division includes multiple legal entities, they have their own distinct management structure, common business characteristics, commonality of information systems, controls and financial reporting framework. Group management, and ultimately the Board, monitor the position and performance of the Group on a divisional basis. Accordingly, these divisions were considered to be components for the purpose of the audit. In addition, there are a number of distinct legal entities that fall outside of these divisions, being the Company and other legal entities providing services across the Group. These were also determined to be separate components.

Based on our scoping assessment, twelve components were identified, which are considered unique due to their specific characteristics.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- procedures on the entire financial information of the component, including performing substantive procedures and tests of operating effectiveness of controls
- procedures on one or more classes of transactions, account balances or disclosures

Procedures were performed on the entire financial information of 3 components, comprising the Building, Highways and Environment divisions. Procedures were performed on one or more classes of transactions, account balances or disclosures for 4 other components. Risk assessment procedures were performed on the remaining components.

The Group engagement team is responsible for the work performed across all components of the Group.

The Group operates a centralised IT function that supports IT processes for all components where the entire financial information or classes of transactions, account balances or disclosures are in scope. This IT function is subject to specified risk-focused audit procedures, predominantly the testing of the relevant IT general controls and IT application controls.

Disaggregation

The financial information relating to Group risks of material misstatement is highly disaggregated across the Group. We performed procedures at the component level in relation to these risks in order to obtain comfort over the residual population of Group balances.

Climate change

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the Annual Report and Financial Statements;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and
- Review of the minutes of Board and Audit Committee meetings and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment as set out the Annual Report and Financial Statements may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in management's going concern assessment and viability assessment.

We also assessed the consistency of management's disclosures included as 'Statutory Other Information' on pages 63 to 74 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters that were materially affected by climate-related risks and related commitments.

Independent auditor's report

continued

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, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit addressed the key audit matter
Revenue and profit recognition for construction contracts Note 1 on page 143 to the financial statements gives further detail regarding the estimates and judgements made by the Group in this regard and the accounting policy for construction contracts. For long term construction contracts, the Group recognises revenue over time and measures progress based on the input method by considering the costs incurred to date, relative to the total estimated forecast costs, applied to the estimated forecast revenue. This process involves significant estimation in relation to the outcome of both the total costs to complete the contract as well as the final contract value. These estimates can materially impact the revenue and profit recognised, as well as contract assets and liabilities. In a number of the Group's construction contracts there are assumptions regarding amounts contractually due from customers. Contract assets can include variations and claims which have not been certified or formally agreed but have been assessed by management as highly probable of not reversing, in accordance with IFRS 15. Judgement is therefore required to determine revenue that meets this recognition criteria, and that significant estimates are appropriately disclosed. In addition, there are some downstream claims against subcontractors, designers, and insurers which are only recognised once they are considered to be virtually certain of recovery, in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. Once the recognition criteria is considered to be met, significant judgement is required to determine the amounts to be recognised.	Control Environment We obtained an understanding of and evaluated management's processes and controls for ensuring construction contracts with customers meet the requirements of IFRS 15. We evaluated the design and implementation, and tested operating effectiveness, of the key controls over revenue, profit margin, costs to complete and stage of completion on construction contracts. Contract Selection We focused our work on the contracts we considered to have the greatest estimation uncertainty, identified using a number of selection criteria including magnitude, movements in the year, unagreed variations or claims above a determined threshold or other known issues. For each of the contracts selected, we carried out the following detailed testing in relation to contract overview, forecast revenue, forecast costs to complete and stage of completion: Contract Overview We obtained an understanding of the contract, its performance obligations and performance to date by reviewing the initial contract with the customer and holding discussions with commercial teams and management, as applicable. Forecast Revenue We agreed the contract value included in forecast total revenue to contractual agreements, supplemental agreements and agreed variations. For unagreed amounts, we challenged management's assessment of the expected recovery of variations, claims and compensation events from customers, to determine the basis on which the associated revenue was considered to be highly probable of not reversing. We obtained evidence of historic success rates and evidence of amounts agreed post year end to support management's assessment as applicable. We obtained and reviewed any legal correspondence relating to these claims and variations and, where necessary, discussed the progress of legal disputes with the Group's internal legal team and external legal advisors. We compared revenue recognised with amounts applied for and amounts certified by clients. We then understood any difference between these values. We agreed the amounts received to bank where possible. Where the balance had not been received into bank, we considered the recoverability of the balance by reviewing correspondence with the customer. We re-performed the key calculations behind the margin applied, the stage of completion and associated profit, and therefore revenue recognised, as well as contract assets and liabilities. We assessed the recoverability of contract assets by comparing to the post year end external certification of the value of work performed, and the payment received post year end. We challenged the judgements or estimates made by discussing them with the project teams as well as senior operational, legal, commercial and financial management.

Key audit matter	How the scope of our audit addressed the key audit matter
Revenue and profit recognition for construction contracts (continued)	The Group has to forecast total costs expected and then allocate between the amount incurred on the contract to the end of the reporting period and the proportion to complete in a future periods. The assessment of the total costs to be incurred requires estimation. Having considered the above we determined that construction contract revenue and profit recognition along with other related contract balances have an inherently high degree of estimation uncertainty with a range of possible outcomes and hence we have treated these areas and the associated disclosures as a Key Audit Matter. Forecast costs to complete and stage of completion We obtained a breakdown of costs to date and forecast costs to complete, agreeing totals back to the year end cost-value reconciliation (CVR). We performed a review of forecast costs by type included within the cost-value reconciliation (CVR) and analysed the stage of completion of each cost type to determine whether costs are progressing in line with the overall stage of completion. We challenged management where costs were not in line with our expectations and obtained supporting documentation as applicable. We corroborated a sample of forecast costs for significant subcontractor packages to documentary evidence. Where the subcontractor projected total costs significantly differed from the total forecast costs in the contract forecast, we challenged management and obtained supporting evidence for the differences as applicable. We enquired with commercial Directors on variances between the input method calculated stage of completion and external certified value. We assessed judgements and estimates made by the Directors in determining forecast costs and the remaining contingency on a project, for the possibility of a material misstatement, and obtained corroborating evidence to support the positions taken. We compared the percentage of forecast costs that have been procured to the overall forecast costs and challenged management where there were substantial costs yet to procure as this presents a greater risk. We corroborated a sample of un-procured subcontractor costs to documentary evidence. We challenged the assumptions made by management in respect of estimated recoveries from subcontractors, designers, and insurers included in the forecast, to determine whether these could be considered virtually certain of recovery. We obtained evidence such as signed agreements or the latest correspondence that underpinned management's assumptions and also considered the existence of any contradictory evidence. We discussed with management to understand and challenge other areas of judgement taken including anticipated completion dates and the impact of any delays, whether there are any disputes with third parties on the contract and the reason for any movements in forecasts from tender/prior year to 30 June 2025. We obtained corroborating evidence for the explanations provided. We tested a sample of costs incurred in the year and ensured that they had been accurately recorded and correctly allocated to the relevant project. We tested a sample of accrued subcontractor costs to the year-end subcontractor applications and a sample of other accrued costs to applicable supporting documentation. Other Where appropriate we reviewed legal correspondence and expert advice obtained by management in respect of the judgements and estimates and, where necessary, spoke directly with management's experts who had provided this advice. We remained alert for any contradictory evidence or indicators of understatement of forecast costs or overstatement of revenue while performing our audit procedures, including site visits, cost testing and payments testing. We challenged the judgements or estimates made by discussing them with the project teams as well as senior operational, legal, commercial and financial management. We performed a stand back review on the key judgements and estimates on each contract to assess if sufficient appropriate audit evidence had been obtained. From the latest available contract information post year end, we compared the forecast out-turn across all contracts to the reported year end positions. We challenged management on any significant movements and considered whether changes should be considered in the year end position.

Key audit matter	How the scope of our audit addressed the key audit matter
Revenue and profit recognition for construction contracts (continued)	Residual Contract Testing For contracts that didn't meet the selection criteria, we carried out targeted testing on a sample basis which included: ➡ obtaining an understanding of the contract and its particulars by obtaining the initial contract with the customer. ➡ agreeing forecast revenue to contractual agreements, supplemental agreements and agreed variations. ➡ reconciling revenue recognised with amounts applied for and amounts certified by clients, agreeing the amounts received to bank. Where the balance had not been received into bank, we considered the recoverability of the balance by reviewing correspondence with the customer. ➡ from the specific contract information reviewed for these contracts, we considered whether there was an indication of greater risk associated with the contract including delays, significant unagreed variations and un-procured costs for which we then performed additional procedures from those set out above to address the identified risk. Site Visits We visited a sample of sites across the business. We inspected the physical progress of the sites and discussed progress with personnel working on the specific sites, particularly those outside of finance such as individuals in commercial and project management roles. Where sites were selected for audit testing, we considered whether the information obtained from the site visit was consistent with the information obtained from audit testing. Disclosures We considered the adequacy of the disclosures in the financial statements in relation to specific contracts and also the disclosures in respect of significant judgements and estimates in line with applicable accounting standards. Key observations We consider that the estimates and judgements made by management in respect of construction contract revenue and profit recognition, and the associated disclosures to be reasonable.

Key audit matter	How the scope of our audit addressed the key audit matter
Defects liability provision in relation to a legacy infrastructure contract Note 1 on page 144 to the financial statements gives further detail regarding the estimates and judgements made by the Group in this regard. Note 1 on page 146 to the financial statements provides the accounting policy for provisions. Refer to Note 20 in relation to provisions.	We obtained management's assessment paper on whether the recognition criteria of IAS 37 were met and whether a provision should be recognised in respect of this contract. We assessed this against the requirements of IAS 37. As part of our assessment we validated the existence of the legal obligations with respect to the defect requirements through reviewing key terms of the contract. We also obtained a report prepared by management's expert as to whether the recognition criteria were met. We assessed their competence and objectivity by examining the work they were required to perform and their professional qualifications and experience. We considered whether their assessment provided any contradictory evidence to management's own assessment as well as our own. We obtained an understanding of and assessed management's process for the quantification of the provision, including: ➤ the analysis of specific cost estimates for known, identified rectification works; and ➤ the estimation of lifetime costs expected during the defect period. We challenged management's assessment of expected lifetime costs, and therefore the remaining provision for yet to be identified defects, prepared by drawing information from a panel of experts. We evaluated the competence, objectivity and sufficiency of management's panel of experts that were utilised in the estimation of expected lifetime costs and the resulting provision by examining the work they performed, their professional qualifications and experience. We met with management's panel of experts (both external and internal) to corroborate and understand the basis of opinions given, including understanding any contradictory evidence, and discussed certain assumptions made by management with them. We also sought additional sources of evidence. We used this to form our own expectations of defects incurred on similar types of contracts and assessed whether management's assessment was within this range. In assessing the appropriateness of cost estimates, we assessed if the costs underpinning the accounting provision represent management's and the experts best estimate of expected expenditure, based on the current extent of defect expenditure incurred as well as any known risks identified but not yet remediated. We considered the expenditure on defects to date. Though independent research and enquires with managements panel of experts we considered the potential timing and value of defect costs over the contractual defect period. We used this information to estimate expected lifetime costs for expenditure and considered whether this provided any contradictory evidence to the provision recorded by management. We assessed the integrity of formulae and mathematical accuracy of management's calculations for the various elements of the provision. We considered the adequacy of the disclosures made, with particular focus on the range of potential outcomes and areas of estimation uncertainty and challenged management in regard to their proposed disclosures against the requirements of the applicable standards. Key observations: We consider the estimates, judgements and associated disclosures made by management in respect of the estimation of the provision to be reasonable.

Independent auditor's report

continued

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Company financial statements	
	2025 £m	2024 £m	2025 £m	2024 £m
Materiality	5.7	5.2	3.0	2.9
Basis for determining materiality	0.30% of revenue	0.30% of revenue	1% of total assets	1% of total assets
Rationale for the benchmark applied	As the Group continues to be profitable, we have considered what would be a stable basis of operations and have benchmarked to peers' materiality as a proportion of revenue. Based on this we have set Group materiality at 0.30% (2024: 0.30%) of Group revenue.		We have set Company materiality at the lower of 1% (2024: 1%) of total assets and 95% (2024: 95%) of Group materiality. We chose total assets as the benchmark as the Company does not trade and we believe this to be of most interest to the users of the financial statements.	
Performance materiality	3.6	3.4	1.9	1.9
Basis for determining performance materiality	On the basis of our risk assessment, together with our assessment of the Group's and Company's overall control environment and history of adjustments, our judgement was that overall performance materiality of the Group and Company should be set at 62.5% (2024: 65%) of materiality.			
Rationale for the percentage applied for performance materiality	We determined performance materiality based on our risk assessment procedures, together with our assessment of the Group's and Company's overall control environment, the number of components and the history of audit adjustments identified in the previous audits.			

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Company whose materiality and performance materiality are set out above, based on a percentage of between 66% and 95% (2024: 15% and 81%) of Group performance materiality dependent on a number of factors including size and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from £2.3m to £3.5m (2024: £0.8m to £4.2m).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £282,000 (2024: £260,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the document entitled the Annual Report and Financial Statements 2025 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

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.

Going concern and longer-term viability	➔ The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 125; ➔ The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 75; and ➔ The Directors' statement on whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities set out on page 75.
Other Code provisions	➔ Directors' statement on fair, balanced and understandable set out on page 103; ➔ Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 58; ➔ The section of the Annual Report and Financial Statements that describes the review of effectiveness of risk management and internal control systems set out on page 102; and ➔ The section describing the work of the audit committee set out on page 100.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: ➔ the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and ➔ the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and 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.
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	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 Company, or returns adequate for our audit have not been received from branches not visited by us; or ➔ the 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.

Responsibilities of Directors

As explained more fully in the Statement of directors' responsibilities, 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's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

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.

Independent auditor's report

continued

Extent to which the audit was 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- ➔ Our understanding of the Group and the industry in which it operates;
- ➔ Discussion with management, those charged with governance, internal legal counsel and the Audit Committee; and
- ➔ Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be, but not limited to, the Companies Act 2006, the UK Listing Rules, Corporate tax and VAT legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, data protection legislation, employment law, the Fire Safety Act 2021 and the Building Safety Act 2022.

Our procedures in respect of the above included:

- ➔ Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- ➔ Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- ➔ Review of financial statement disclosures and agreeing to supporting documentation;
- ➔ Involvement of tax specialists in the audit; and
- ➔ Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- ➔ Enquiry with management and those charged with governance including the Audit Committee, as well as internal audit regarding any known or suspected instances of fraud;
- ➔ Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- ➔ Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- ➔ Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- ➔ Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- ➔ Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls that are otherwise operating effectively through inappropriate journal entries, existence of revenue recognition over construction contracts and bias in key estimates.

Our procedures in respect of the above included:

- ➔ Involvement of forensic specialists in the fraud risk assessment procedures;
- ➔ Testing journal entries throughout the year which met defined risk criteria by agreeing to supporting documentation;
- ➔ Assessing whether there was evidence of bias by the Directors within the significant judgements and estimates,
- ➔ Testing a sample of contracts for accuracy of estimation where revenue is recognised over time (refer to KAMs above); and
- ➔ An element of unpredictability in our audit procedures, we sampled journal entries throughout the year, which did not meet the defined risk criteria and agreed this to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 Parent 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.

Peter Latham
(Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK
17 September 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated income statement

for the year ended 30 June 2025

	Notes	2025 £m	2024 Restated (note 34) £m
Revenue	3	1,875.2	1,763.7
Cost of sales		(1,723.7)	(1,644.0)
Gross profit		151.5	119.7
Administrative expenses		(111.8)	(106.7)
Operating profit		39.7	13.0
Finance income	6	8.9	9.6
Finance costs	6	(4.5)	(3.4)
Profit before income tax	7	44.1	19.2
Income tax (expense)/credit ¹	8	(10.5)	8.2
Profit for the year		33.6	27.4
Earnings per share			
Basic			
Profit attributable to ordinary shareholders	10	33.7p	27.3p
Diluted			
Profit attributable to ordinary shareholders	10	32.2p	26.2p

¹ The tax credit in 2024 relates to exceptional items as explained in note 4.

The notes are an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

for the year ended 30 June 2025

	Notes	2025 £m	2024 Restated (note 34) £m
Profit for the year		33.6	27.4
Other comprehensive expense:			
Items that may be reclassified subsequently to profit or loss			
Movement in fair value of PPP and other investments	16	(1.9)	(1.5)
Total items that may be reclassified subsequently to profit or loss		(1.9)	(1.5)
Other comprehensive expense for the year net of tax		(1.9)	(1.5)
Total comprehensive income for the year		31.7	25.9

The notes are an integral part of the consolidated financial statements.

Balance sheets

	Notes	Group		Company	
		30 June 2025 £m	30 June 2024 Restated (note 34) £m	30 June 2025 £m	30 June 2024 £m
Assets					
Non-current assets					
Intangible assets	11	3.4	4.3	-	-
Goodwill	12	93.6	93.6	-	-
Property, plant and equipment	13	6.0	5.3	-	-
Right-of-use assets	14	51.1	51.4	-	-
Investments in subsidiaries	15	-	-	189.7	189.2
PPP and other investments	16	38.6	41.8	-	-
Deferred income tax assets	22	11.0	17.9	0.7	0.4
Total non-current assets		203.7	214.3	190.4	189.6
Current assets					
Trade and other receivables	17	388.6	371.2	-	-
Current income tax assets		3.7	11.6	-	-
Cash and cash equivalents	18	237.6	227.0	113.5	110.0
Total current assets		629.9	609.8	113.5	110.0
Total assets		833.6	824.1	303.9	299.6
Liabilities					
Current liabilities					
Trade and other payables	19	(609.1)	(621.3)	-	-
Lease liabilities	14	(22.7)	(20.5)	-	-
Provisions for other liabilities and charges	20	(48.6)	(36.2)	-	-
Total current liabilities		(680.4)	(678.0)	-	-
Non-current liabilities					
Lease liabilities	14	(31.1)	(32.5)	-	-
Total non-current liabilities		(31.1)	(32.5)	-	-
Total liabilities		(711.5)	(710.5)	-	-
Net assets		122.1	113.6	303.9	299.6
Equity					
Share capital	24	51.1	52.0	51.1	52.0
Share premium	24	1.6	0.8	1.6	0.8
Other reserves	26	137.7	136.4	137.7	136.4
Retained earnings	26	(68.3)	(75.6)	113.5	110.4
Total equity attributable to owners of the Company		122.1	113.6	303.9	299.6

The profit for the Parent Company for the year was £30.1m (2024: £23.3m).

The notes are an integral part of the consolidated financial statements.

The financial statements on pages 137 to 184 were approved and authorised for issue by the Board on 17 September 2025 and signed on its behalf by:



Bill Hocking
Chief Executive



Kris Hampson
Chief Financial Officer

Galliford Try Holdings plc
Registered number: 12216008

Consolidated and Company statements of changes in equity

for the year ended 30 June 2025

	Notes	Ordinary shares £m	Share premium £m	Other reserves £m	Retained earnings £m	Total shareholders' equity £m
Consolidated statement						
At 1 July 2023		52.4	–	135.3	(69.1)	118.6
Profit for the year – restated (note 34)		–	–	–	27.4	27.4
Other comprehensive expense		–	–	–	(1.5)	(1.5)
Total comprehensive income for the year – restated (note 34)		–	–	–	25.9	25.9
Transactions with owners:						
Dividends	9	–	–	–	(24.2)	(24.2)
Purchase of own shares		–	–	–	(12.0)	(12.0)
Share-based payments	25	–	–	–	1.8	1.8
Tax relating to share-based payments		–	–	–	2.0	2.0
Issue of shares	24	0.7	0.8	–	–	1.5
Cancellation of shares	24, 26	(1.1)	–	1.1	–	–
At 30 June 2024 – restated (note 34)		52.0	0.8	136.4	(75.6)	113.6
Profit for the year		–	–	–	33.6	33.6
Other comprehensive expense		–	–	–	(1.9)	(1.9)
Total comprehensive income for the year		–	–	–	31.7	31.7
Transactions with owners:						
Dividends	9	–	–	–	(17.5)	(17.5)
Purchase of own shares		–	–	–	(12.3)	(12.3)
Share-based payments	25	–	–	–	3.4	3.4
Tax relating to share-based payments		–	–	–	2.0	2.0
Issue of shares	24	0.4	0.8	–	–	1.2
Cancellation of shares	24, 26	(1.3)	–	1.3	–	–
At 30 June 2025		51.1	1.6	137.7	(68.3)	122.1
Company statement						
At 30 June 2023		52.4	–	135.3	115.0	302.7
Profit for the year		–	–	–	23.3	23.3
Total comprehensive income		–	–	–	23.3	23.3
Transactions with owners:						
Dividends	9	–	–	–	(24.2)	(24.2)
Share-based payments	25	–	–	–	0.7	0.7
Purchase of own shares		–	–	–	(4.4)	(4.4)
Issue of shares	24	0.7	0.8	–	–	1.5
Cancellation of shares	24, 26	(1.1)	–	1.1	–	–
At 30 June 2024		52.0	0.8	136.4	110.4	299.6
Profit for the year		–	–	–	30.1	30.1
Total comprehensive income		–	–	–	30.1	30.1
Transactions with owners:						
Dividends		–	–	–	(17.5)	(17.5)
Share-based payments	25	–	–	–	0.5	0.5
Purchase of own shares		–	–	–	(10.0)	(10.0)
Issue of shares	24	0.4	0.8	–	–	1.2
Cancellation of shares	24, 26	(1.3)	–	1.3	–	–
At 30 June 2025		51.1	1.6	137.7	113.5	303.9

Statements of cash flows

for the year ended 30 June 2025

	Notes	Group		Company	
		2025 £m	2024 Restated (note 34) £m	2025 £m	2024 £m
Cash flows from operating activities					
Profit for the year		33.6	27.4	30.1	23.3
Adjustments for:					
Income tax expense/(credit)	8	10.5	(8.2)	(0.3)	(0.4)
Net finance income	6	(4.4)	(6.2)	-	-
Profit before finance costs and taxation		39.7	13.0	29.8	22.9
Depreciation, amortisation and impairment of non-current assets	11, 13 & 14	24.4	20.7	-	-
Dividends received from subsidiary undertakings		-	-	(29.8)	(22.9)
Share-based payments	25	3.4	1.8	-	-
Other non-cash movements		-	(0.4)	-	-
Net cash generated from operations before changes in working capital		67.5	35.1	-	-
Increase in trade and other receivables	17	(14.3)	(84.5)	-	-
(Decrease)/increase in trade and other payables	19	(12.2)	97.0	-	-
Increase in provisions	20	12.4	6.3	-	-
Net cash generated from operations		53.4	53.9	-	-
Interest received		8.9	6.2	-	-
Interest paid		(4.5)	(3.4)	-	-
Income tax received/(paid)		7.9	(0.5)	-	-
Net cash generated from operating activities		65.7	56.2	-	-
Cash flows from investing activities					
(Increase)/decrease in amounts due from joint ventures		(6.1)	0.1	-	-
PPP loan repayments	16	1.3	1.3	-	-
Acquisition of business combinations, net of cash acquired	30	-	(3.5)	-	-
Dividends received from subsidiary undertakings		-	-	29.8	22.9
Proceeds from disposal of subsidiaries		1.9	1.8	-	-
Acquisition of property, plant and equipment	13	(2.4)	(1.0)	-	-
Net cash (used)/generated from investing activities		(5.3)	(1.3)	29.8	22.9
Cash flows from financing activities					
Repayment of lease liabilities	14	(21.2)	(16.7)	-	-
Purchase of own shares	26	(12.3)	(8.7)	(10.0)	(4.4)
Dividends paid to Company shareholders	9	(17.5)	(24.2)	(17.5)	(24.2)
Net proceeds from issue of ordinary share capital		1.2	1.5	1.2	1.5
Net cash used in financing activities		(49.8)	(48.1)	(26.3)	(27.1)
Net increase/(decrease) in cash and cash equivalents		10.6	6.8	3.5	(4.2)
Cash and cash equivalents at 1 July	18	227.0	220.2	110.0	114.2
Cash and cash equivalents at 30 June	18	237.6	227.0	113.5	110.0

Notes to the financial statements

1 Accounting policies

General information

Galliford Try Holdings plc (the Company) is a public limited company incorporated, listed and domiciled in the UK, and registered under the laws of England and Wales. The address of the registered office is 3 Frayswater Place, Cowley, Uxbridge, UB8 2AD. The Company has its listing on the London Stock Exchange.

The financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates. The amounts stated are denominated in millions (£m).

Going concern

The consolidated and Company financial statements have been prepared on a going concern basis. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Viability Statement (on page 75 and the Strategic Report.

As at 30 June 2025, the Group had substantial cash balances, no loan payable, and a strong forward secured order book. The directors regularly review the working capital requirements of the Group while considering downside sensitivities.

The Group's forecasts have been prepared in the context of the current economic conditions and additionally, the directors have considered a range of downside sensitivities (as discussed in detail in the Viability Statement on page 75). Even in the severe but plausible downside scenario, the Group is forecast to continue to meet its obligations and remain cash positive for a period of at least 12 months from the date the financial statements are authorised for issue.

After making enquiries and considering the factors and sensitivities outlined above for a range of scenarios, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future being a period of at least 12 months from the date the financial statements are authorised for issue. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of accounting

For the year to 30 June 2025, the Group consolidated financial statements and the Company financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006, under the historical cost convention, as modified by the revaluation of PPP and other investments at fair value through other comprehensive income.

New standards impacting the Group that have been adopted for the first time in this set of financial statements are listed below:

- ➔ Amendments to IAS 1, Presentation of financial statements on Non-current liabilities with covenants
- ➔ Amendment to IAS 7 and IFRS 7 – Supplier finance arrangements
- ➔ Amendment to IFRS 16 Leases – Leases on sale and leaseback

These standards have been assessed to have no significant impact on the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's previous accounting policies.

The following are new standards, interpretations and amendments, that are not yet effective or have not been endorsed. The Group has chosen not to adopt these early. These may however have an effect on the Group's future financial statements:

- ➔ IFRS 18 Presentation and Disclosure in Financial Statements
- ➔ Amendments to IAS 21 to clarify the accounting when there is a lack of exchangeability
- ➔ Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments
- ➔ Annual improvements to IFRS – Volume 11

Other than IFRS 18 which will change the presentation of the primary statements, it is not expected that these will have a significant net impact.

Basis of preparation

The Group financial statements incorporate the results of Galliford Try Holdings plc, its subsidiary undertakings and the Group's share of the results of joint arrangements. Subsidiaries are all entities over which the Group has control. The exposure or right to variable returns from its involvement with an investee, and the ability to influence those returns, are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group, until the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of a business by the Group. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed to the income statement. The identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values at the acquisition date, irrespective of any non-controlling interest. The excess of cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the fair value of the Group's share of the identifiable net assets is in excess of the cost of the acquisition, the gain on bargain purchase is recognised as a credit through the income statement.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of acquired subsidiaries are changed where necessary, to ensure consistency with policies adopted by the Group.

In addition to total performance measures, the Group discloses additional information including adjusted performance and adjusted earnings per share. The Group believes that this additional information provides useful information on underlying trends. This additional information is not defined under international accounting standards and may therefore not be comparable with similarly titled profit measures reported by other companies. It is not intended to be a substitute for, or superior to, international accounting standards measures of profit.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 to not present the Parent Company income statement and statement of comprehensive income.

1 Accounting policies continued

Impact of climate change on the financial statements

As reported in the TCFD disclosures on page 63, and the principal risks starting on page 59, the directors, in preparing the financial statements, have considered the risks and potential impact of climate change to the Group. It is unlikely that these risks will have a material financial impact in the short (between one and two years) and medium term (between three to ten years), particularly given the nature of the contractual arrangements in place.

There has been no material impact identified on the financial reporting judgements and estimates. The Directors considered the impact of climate change in respect of the following principal areas:

- contract judgements made on the Group's construction contracts;
- going concern and viability of the Group over the next three years;
- cash flow forecasts used in the impairment assessments of non-current assets including the intangible assets and goodwill; and
- carrying value and useful economic lives of property, plant and equipment.

As current legislation stands, there is no material impact expected from climate change. The Directors are however aware of the ever-changing risks attached to climate change and will continue to monitor this, particularly regarding any judgements on construction contracts, impairment reviews and going concern in preparation of the Group's financial statements.

Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Critical judgements are those management has made when applying its material accounting policies, whereas critical estimates are assumptions and estimates made at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making estimates and judgements about the carrying value of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates and judgements. The estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates and judgements are recognised in the period in which the estimate or judgement is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Material estimates and judgements are made in particular with regards to establishing the following policies:

(i) Revenue and profit recognition for long-term contract accounting (judgement and estimate)

In order to determine the profit and loss that the Group is able to recognise on its construction contracts in a specific period, the Group has to estimate the outcome of both the total costs to complete the contract as well as the final contract value. The Group has to allocate total costs of the construction contracts between the amount incurred on the contract to the end of the reporting period and the proportion to complete in a future period. The assessment of the total costs to be incurred and final contract value requires a degree of estimation.

Contract modifications are recognised when the Group considers they have been approved (which also includes consideration of whether enforceable rights exist in the contract). The estimation of final contract value includes the assessment of the recovery of variations, claims and compensation events (contract modifications). The estimate made is constrained in accordance with IFRS 15 so that it is highly probable not to result in a significant reversal of revenue in the future. Where the change in scope results in an increase to the work to be performed that is distinct and reflects the stand-alone selling price of the distinct good/service, it is treated as a separate contract. This is assessed on a contract specific basis.

The Group recognises recoveries of claims from clients as revenue where clear entitlement has been established which can require judgement, such as through dispute-resolution processes. This includes the recovery of costs (such as delays to the contract programme) to the extent it is highly probable not to result in a significant reversal of revenue in the future.

The estimation of costs to complete is based on all available relevant information such as procured packages and management experience and includes estimation of final accounts and any potential maintenance and defect liabilities. Recoveries resulting from actual or potential claims against subcontractors are accounted for in accordance with IAS 37 and are recognised only when they meet the virtually certain threshold.

Group management has established internal controls to review and ensure the appropriateness of estimates made on an individual contract basis, including any necessary contract provisions. As with most large, complex construction projects, there is an element of estimation uncertainty over costs to complete and final account settlements. This is, however, reduced by the experience of the management team and the controls that we have in place. The settlement of these final accounts may give rise to an over or under-recognition of profit or loss and associated cash flows, which could be material.

As at 30 June 2025, the Group's contract assets, contract liabilities and contract provisions amounted to £295.9m, £124.7m, and £48.6m (2024 restated: £290.5m, £131.3m and £36.2m) respectively as set out in Notes 17, 19 and 20. The Group has considered the nature of the estimates involved in deriving these balances and concluded that it is possible, on the basis of existing knowledge, that outcomes within the next financial year may be different from the Group's assumptions applied as at 30 June 2025 and could require a material adjustment to the carrying amounts of these assets and liabilities in the next financial year. However, due to the level of uncertainty, combination of cost and income variables and timing across the Group's large portfolio of contracts at different stages of their contract life, it is impracticable to provide a quantitative analysis of the aggregated judgements that are applied at a portfolio level.

The Group's five largest unagreed variations and claims positions at the year-end are summarised in aggregate below.

	2025 £m	2024 £m
Overall contract value (including total estimated end of contract variations and claims)	506.0	689.5
Revenue in the year	170.9	149.2
Total estimated end of contract variations and claims	90.2	72.8

Notes to the financial statements

continued

1 Accounting policies continued

These five positions represent the most significant estimates of revenue. The total estimated end of contract variations and claims of the subsequent five largest positions is £26.9m (2024: £17.4m).

These items include estimation uncertainty, with a range of reasonably possible outcomes of £90.2m to £121.3m (2024: £72.8m to £130.2m).

In respect of contract assets of £295.9m (30 June 2024 restated: £290.5m) and in assessing receivable provisions calculated on an expected loss basis, the Group has recorded a provision of £nil (2024: £nil).

It is unclear whether the outstanding uncertainties will be resolved within the next 12 months.

(ii) Rectification provision – Infrastructure contract (judgement and estimate)

The Group regularly engages in contracts with general or defect warranty rectification requirements, typically less than 3 years. Within the pool of open warranty period contracts, the Group built, as part of joint operation with two other partners, a single infrastructure scheme under a contract that included various defect warranty obligations, with the longest obligation lasting up to 12 years. At 30 June 2025, there remained 6 years (2024: 7 years) of the longest warranty liability period remaining.

This is the only contract the Group has that has a general defect warranty period of this length. The contractual nature of the defect warranty liability and the completion of the scheme are the obligating events and the Group, as part of the joint operation, has remediated items since completion and has other known issues ongoing that will likely result in future cash outflows, though the timing and quantum remain uncertain. The Group also believes that there will be further unknown but probable cash outflows relating to as yet unknown items as scheduled inspections of various structural elements of the scheme are completed that have a potentially material range of outcomes. Management has applied judgement in assessing whether the criteria for recognising a provision under IAS 37 has been met.

The Group has provided £13.1m (2024: £14.6m) against future defect costs and this represents management's best estimate of potential future payments associated with the warranty rectification responsibilities. The provision requires a limited number of significant estimates and assumptions by management, with a significant level of estimation risk as a result arising from the level of defects and associated cost that may arise. Management estimates the reasonable range of estimates to be between £7.3m and £19.2m (2024: £7.3m and £17.5m) at 30 June 2025. During the year £0.1m and £1.3m (2024: £0.1m and £2.3m) of the opening provision of £14.6m (2024: £16.9m) was utilised and released respectively, with additions of £0.0m (2024: £0.1m) made in the year.

Management has sought input from external experienced industry figures and industry bodies to support the provision it has made but the outcome will depend on actual experience and defects arising.

(iii) Exceptional items (judgement)

Exceptional items are items of financial performance which the Group believes should be presented separately on the face of the income statement, to assist in understanding the underlying financial performance achieved by the Group. Determining whether an item is exceptional requires judgement. Details of exceptional items included in the financial statements are included in note 4. The exceptional items meet the Group's definition of exceptional, being significant irregular income and/or expense, that the Group believes assists the users of the accounts by disclosing separately. There were no exceptional items during the year ended 30 June 2025.

Other accounting estimates

The Consolidated Financial Statements include other areas of accounting estimates that do not meet the definition of significant accounting estimates or accounting judgements under IAS 1. The recognition and measurement of certain material assets and liabilities are based on assumptions and/or are subject to longer-term uncertainties as follows:

(i) PPP and other investments measured at fair value through other comprehensive income (estimate)

At 30 June 2025, £38.6m (2024: £41.8m) of PPP and other investments were classified as financial assets measured at fair value through other comprehensive income. In the operational phase, the fair value of these financial assets is measured at each reporting date by discounting the future value of the cash flows allocated to the financial asset. Individual discount rates have been used which equate to an overall blended discount rate of 7.9% (2024: 7.6%), which reflects the rates typically experienced in the marketplace. A 0.5% increase/reduction in the discount rate would result in a corresponding decrease/increase in the value of the investments recorded in the balance sheet of approximately £1.3m (2024: £1.5m) (note 16).

Material accounting policies

Exceptional items

Exceptional items are significant irregular items of income and/or expense including taxation which the Group believes should be separately disclosed in the income statement, to assist in understanding the underlying financial performance achieved by the Group, by virtue of their nature or size. Examples of items which may give rise to disclosure as exceptional items include gains and losses on the disposal of businesses and property, plant and equipment, significant unanticipated losses on contracts, cost of restructuring and reorganisation of businesses, cost of ERP system implementations, acquisition costs and asset impairments.

Segmental reporting

The Group's reporting segments are based on the types of services provided. Operating segments with similar economic characteristics have been aggregated into reportable segments which reflect the nature of the services provided by the Group. The business segmental reporting reflects the Group's management and internal reporting structure. Segmental results include items directly attributable to the segment, as well as those that can be allocated on a reasonable basis.

Revenue and profit

Revenue is recognised when the Group transfers control of goods or services to customers. Revenue comprises the fair value of the consideration received or receivable net of rebates, discounts and value-added tax. Where consideration is subject to variability, the Group estimates the amount receivable based on the most likely amount. Typically, the main factor that impacts the revenue constraint is the Group's experience with similar modifications and previous negotiations/historical success with the same client. Where there is a limited history of success, the constraint applied is typically greater. This assessment is carried out on a contract specific basis. Revenue recognised is constrained to the amount which is highly probable not to result in a significant reversal in future periods. The Group also assesses whether the costs incurred on a project depict an appropriate measure of progress, and constrain revenue accordingly.

Intercompany revenue is eliminated. Revenue also includes the Group's proportion of work carried out under joint operations.

Where a modification to an existing contract occurs, the Group assesses the nature of the modification and whether it represents a separate performance obligation required to be satisfied or whether it is a modification to the existing performance obligation.

1 Accounting policies continued

Revenue for the Group's continuing operations is recognised as follows:

Construction services

Revenue comprises the value of construction services transferred to a customer during the period. The results for the period include adjustments for the outcome of contracts, including jointly controlled operations, executed in both the current and preceding years.

Fixed price contracts – the amount of revenue recognised is calculated based on total costs incurred as a proportion of total estimated costs to complete (input method), applied to the estimated final value and is recognised over time. The estimated final value includes variations, compensation events and certain claims (contract modifications) where it is highly probable that there will not be a significant reversal. Provision will be made against any expected loss as soon as it is identified. The Group also recognises revenue over time on the output method based on payments from customers on a contractual schedule of value that reflects the timing and performance of service delivery (reference to milestone reached, units delivered or work certified).

Cost-reimbursable contracts – revenue is recognised based upon costs incurred to date plus any agreed fee and is recognised over time. Where contracts include a target price, consideration is given to the impact on revenue of the mechanism for distributing any savings or additional costs compared to the target price. Any revenue over and above the target price, which could include variations and compensation events, is recognised once it is highly probable that there will not be a significant reversal in the future.

Facilities management – management services and facilities management contracts typically represent a single performance obligation. Revenue is recognised over time as control passes to the customer and is typically measured on a straight-line basis as this is considered to be a reliable estimate of the pattern of transfer to the customer.

Recoveries from claims against third parties

The recognition of expected reimbursements resulting from certain third-party claims such as against the supply chain or through insurance recoveries is accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. This requires recovery to be 'virtually certain' before an asset can be recognised.

Government funding

Grants (including research and development expenditure credits) are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. The grants are recognised in the income statement over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Finance income and cost

Finance income and cost is recognised on a time proportion basis, using the effective interest method. Finance cost also includes the unwinding of lease liabilities.

Income tax

Current income tax is based on the taxable profit for the year. Taxable profit differs from profit before taxation recorded in the income statement because it excludes items of income or expense that are taxable or deductible in other years or that are never taxable or deductible. The liability for current tax is calculated using rates that have been enacted, or substantively enacted, by the balance sheet date.

Deferred income tax is provided using the balance sheet liability method, providing for all temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, with the exception of the initial recognition of goodwill arising on an acquisition. Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on rates and laws that have been enacted or substantively enacted by the balance sheet date.

A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of taxable profits from which the underlying temporary differences can be deducted.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when there is an intention to settle the balances on a net basis.

Deferred income tax is charged or credited through the income statement, except when it relates to items charged or credited through the statement of comprehensive income or to equity, when it is charged or credited there.

The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the net assets acquired. It is recognised as an asset and reviewed for impairment at least annually or when there is a triggering event, by considering the net present value of future cash flows. For purposes of testing for impairment, the carrying value of goodwill is compared to its recoverable amount, which is the higher of the value in use and the fair value less costs to sell. Any impairment is charged immediately to the income statement.

Goodwill is allocated to Cash Generating Units (CGUs) for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose.

Intangible assets

Intangible assets can include brands, customer contracts and customer relationships acquired on acquisition of subsidiary companies, and computer software developed by the Group. The intangible assets are reviewed for impairment when there is a triggering event. Intangible assets are stated at cost less accumulated amortisation and impairment. Cost is determined at the time of acquisition as being directly attributable costs or, where relevant, by using an appropriate valuation methodology.

Intangible assets are amortised over the following periods:

- (a) Customer contracts and relationships – on a straight-line basis over up to 10 years.
- (b) Computer software – once the software is fully operational, amortisation is on a straight-line basis over up to 10 years.

Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Land and buildings comprise mainly offices.

Depreciation is calculated to write off the cost of each asset to its estimated residual value over its expected useful life. Freehold land is not depreciated. The annual rates of depreciation on cost, applied on a straight-line basis, are as follows:

• Freehold buildings	2%
• Plant and machinery	15% to 33%
• Fixtures and fittings	10% to 33%

Notes to the financial statements

continued

1 Accounting policies continued

In addition to systematic depreciation, the book value of property, plant and equipment is written down to estimated recoverable amounts should any impairment in the respective carrying values be identified. The asset residual values, carrying values and useful lives are reviewed on an annual basis and adjusted if appropriate at each balance sheet date.

Repairs and maintenance expenditure is expensed as incurred, on an accruals basis.

Joint arrangements

The Group applies IFRS 11 to all joint arrangements. Investments in joint arrangements are classified as either joint ventures or joint operations, depending on the contractual rights and obligations of each investor.

A joint venture is an entity over which the Group has joint control and rights to the net assets of the entity. The Group's interest in joint ventures is accounted for using the equity method. Under this method the Group's share of profits or losses after taxation of joint ventures is included in the consolidated income statement and its interest in their net assets is included in investments in the consolidated balance sheet.

A joint operation is a joint arrangement that the Group undertakes with third parties, whereby those parties have rights to the assets and obligations of the arrangement. The Group accounts for joint operations by recognising its share of profits and losses in the consolidated income statement. The Group recognises its share of associated assets and liabilities in the consolidated balance sheet.

PPP and other investments

PPP and other investments are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the assets within 12 months of the balance sheet date. On initial recognition, the asset is recognised at cost.

The Group applies equity accounting for its investments in PPP/PFI entities. These investments are treated as associates as the Group has significant influence over them. On initial recognition, the investments in these entities are recognised at cost, and the carrying amounts are increased or decreased to recognise the Group's share of the profit or loss of the PPP/PFI entities after the date of acquisition. The Group's share of the investments' profits or losses is recognised in the profit or loss net of any impairment losses. Distributions received reduce the carrying amount of the investments.

The debt element of the Group's PPP/PFI entities is accounted for under IFRS 9 'Financial Instruments' with fair value movements recorded in other comprehensive income and with recycling of gains and losses through the income statement. Tax is recognised on the movements in other comprehensive income, where we expect the recycling to attract a tax charge/credit to the income statement. This reflects the fact that the Group has a demonstrable track record of investing in PFI assets as part of an overall construction procurement strategy, with a view to churning these investments on a regular basis. Management has reviewed the classification of PPP investments and considers that the business model continues to be hold to collect and sell. The investments therefore continue to be held at fair value through other comprehensive income. Any provision for impairment of PPP is established based on an expected credit loss model (general approach, as detailed under impairment of financial assets). The amount of any loss is recognised in other comprehensive income.

Leases

In accordance with IFRS 16, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases for low value assets. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term at a constant periodic rate of interest on the remaining balance of the liability. The right-of-use asset is depreciated over the lease term on a straight-line basis, unless the useful life of the asset is shorter than the lease term.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established based on an expected credit loss model (simplified approach, as detailed under impairment of financial assets). The amount of the loss is recognised in the income statement through administrative expenses unless presented separately.

When a trade receivable is uncollectible, it is written off against the impairment provision for trade receivables. Subsequent recoveries of amounts previously written off are credited against costs in the income statement. Short-term trade receivables do not carry any interest and are stated at their amortised cost, as reduced by appropriate allowances for estimated irrecoverable amounts.

Impairment of financial assets

IFRS 9 establishes a model for recognition and measurement of impairment in financial assets. Loans and receivables and contract assets apply the 'Expected Credit Losses' (ECL) model. All other assets are classified and measured at fair value, with movements going through the income statement or other comprehensive income. Expected credit losses are recognised and measured according to one of three approaches – a general approach (12 months ECL), a simplified approach (lifetime ECL) or the 'credit adjusted approach'. The Group has taken the practical expedient to apply a simplified 'provision matrix' for calculating expected losses. The provision matrix is based on an entity's historical default rates over the expected life of the trade receivables and is adjusted, where relevant, for forward-looking estimates. For large one-off balances where there is no historic experience, analysis is completed in respect of a number of reasonably possible scenarios.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at nominal value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand, including bank deposits with original maturities of three months or less. Bank overdrafts met the requirement for offsetting in the balance sheet and have been off-set with cash and cash equivalents.

Trade and other payables

Trade payables and other payables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method.

Provisions for liabilities and charges

Provisions for liabilities and charges are recognised when, as a result of past events, the Group has a present legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

1 Accounting policies continued

Retirement benefit obligations

For defined contribution schemes operated by the Group, amounts payable are charged to the income statement as they accrue.

Accounting for Employee Share Ownership Plan

Own shares held by the Galliford Try Employee Share Trust (the 'Trust') are included in the Group financial statements as a deduction from retained earnings. The charge made to the income statement for employee share awards and options is based on the fair value of the award at the date of grant, spread over the performance period. Where such shares subsequently vest to the employees under the terms of the Group's share option schemes or are sold, any consideration received is included in equity.

Share-based payments

The Group operates a number of equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions such as growth in earnings per share. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised. The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as an increase in the cost of the investment in subsidiaries.

Dividend

Final dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

Equity instruments

Equity instruments, such as ordinary share capital, issued by the Company are recorded at the proceeds received net of directly attributable incremental issue costs. Consideration paid for shares in the Company held by the Trust are deducted from total equity.

Investments in subsidiaries

The Company's investments in subsidiaries are recorded in the Company's balance sheet at cost less any impairment. The directors review the investments for impairment annually.

2 Segmental reporting

Segmental reporting is presented in the consolidated financial statements in respect of the Group's business segments, which are the primary basis of segmental reporting. The business segmental reporting reflects the Group's management and internal reporting structure. Segmental results include items directly attributable to the segment, as well as those that can be allocated on a reasonable basis. As the Group has no activities outside the UK, segment reporting is not required by geographical region.

The Chief Operating Decision-Makers (CODM) have been identified as the Group's Chief Executive and Chief Financial Officer. The CODM review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments of the Group to be Building, Infrastructure, Investments and Central (primarily representing central overheads).

The CODM assess the performance of the operating segments based on a measure of adjusted earnings before finance costs, amortisation, exceptional items and taxation. This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as restructuring costs and impairments when the impairment is the result of an isolated, non-recurring event. Interest income and expenditure are included in the result for each operating segment that is reviewed by the CODM. Other information provided to them is measured in a manner consistent with that in the financial statements.

Notes to the financial statements

continued

2 Segmental reporting continued

Income statement

Year-ended 30 June 2025	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Revenue	964.7	902.5	8.0	–	1,875.2
Adjusted operating profit/(loss) (note 32)	28.1	27.4	(0.4)	(14.5)	40.6
Finance income	–	0.2	3.6	5.1	8.9
Finance costs	(1.4)	(2.0)	(0.1)	(1.0)	(4.5)
Adjusted profit/(loss) before taxation (note 32)	26.7	25.6	3.1	(10.4)	45.0
Amortisation of intangible assets	–	(0.9)	–	–	(0.9)
Exceptional items (note 4)	–	–	–	–	–
Profit before tax	26.7	24.7	3.1	(10.4)	44.1
Income tax charge					(10.5)
Profit for the year					33.6

Year ended 30 June 2024	Building £m	Infrastructure Restated (note 34) £m	Investments £m	Central £m	Total Restated (note 34) £m
Revenue	938.3	810.7	14.7	–	1,763.7
Adjusted operating profit/(loss) (note 32)	24.0	20.1	(1.0)	(13.5)	29.6
Finance income	0.1	0.3	3.8	4.6	8.8
Finance costs	(1.2)	(1.6)	–	(0.6)	(3.4)
Adjusted profit/(loss) before taxation (note 32)	22.9	18.8	2.8	(9.5)	35.0
Amortisation of intangible assets	(1.0)	(1.1)	–	(0.2)	(2.3)
Exceptional items (note 4)	–	(10.9)	–	(2.6)	(13.5)
Profit before tax	21.9	6.8	2.8	(12.3)	19.2
Income tax credit					8.2
Profit for the year					27.4

Inter-segment revenue is eliminated from revenue above. In the year to 30 June 2025, this amounted to £121.1m (2024: £91.8m) for continuing operations, of which £1.6m (2024: £0.6m) was in Building, £73.6m (2024: £57.8m) was in Infrastructure, £24.5m (2024: £13.8m) was in Investments and £21.4m (2024: £19.6m) was in central costs.

2 Segmental reporting continued

Balance sheet

30 June 2025	Notes	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Goodwill and intangible assets		40.0	57.0	–	–	97.0
Net cash	18	143.1	115.0	(7.0)	(13.5)	237.6
Non reported segmental net liabilities		–	–	–	–	(212.5)
Net assets/(liabilities)		–	–	–	–	122.1
Total Group liabilities		–	–	–	–	(711.5)
Total Group assets		–	–	–	–	833.6

30 June 2024	Notes	Building £m	Infrastructure £m	Investments £m	Central £m	Total Restated (note 34) £m
Goodwill and intangible assets		40.0	57.9	–	–	97.9
Net cash	18	158.3	50.4	(7.0)	25.3	227.0
Non reported segmental net liabilities		–	–	–	–	(211.3)
Net assets/(liabilities)		–	–	–	–	113.6
Total Group liabilities						(710.5)
Total Group assets						824.1

Other segmental information

Year ended 30 June 2025	Notes	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Contracting revenue		964.7	902.5	–	–	1,867.2
Total depreciation	13 & 14	9.0	13.3	0.3	0.9	23.5
Share-based payments	25	0.8	0.6	0.4	1.6	3.4
Amortisation of intangible assets	11	–	0.9	–	–	0.9

Year ended 30 June 2024	Notes	Building £m	Infrastructure restated (note 34) £m	Investments £m	Central £m	Total restated (note 34) £m
Contracting revenue		938.3	810.7	–	–	1,749.0
Total depreciation	13 & 14	7.5	9.9	0.4	0.6	18.4
Share-based payments	25	0.2	0.6	0.2	0.8	1.8
Acquisition of intangible assets ¹	30	–	1.0	–	–	1.0
Amortisation of intangible assets	11	1.0	1.1	–	0.2	2.3

1 Acquired as part of a business combination. See note 30.

Notes to the financial statements

continued

3 Revenue

Nature of revenue streams

(i) Building and Infrastructure segments

Our Construction business operates nationwide, working with clients predominantly in the public and regulated sectors. Projects include the construction of assets (with services including design and build, construction only and refurbishment) in addition to the maintenance, renewal, upgrading and managing of services across utility and infrastructure assets.

Revenue stream	Nature, timing of satisfaction of performance obligations and significant payment terms
Fixed price	A number of projects within these segments are undertaken using fixed-price contracts. Contracts are typically accounted for as a single performance obligation; even when a contract (or multiple combined contracts) includes both design and build elements, they are considered to form a single performance obligation as the two elements are not distinct in the context of the contract given that each is highly interdependent on the other. The Group typically receives payments from the customer based on a contractual schedule of value that reflects the timing and performance of service delivery. Revenue is therefore recognised over time (the period of construction) based on an input model (reference to costs incurred to date). The Group also recognises revenue over time on the output method based on payments from customers on a contractual schedule of value that reflects the timing and performance of service delivery (reference to milestone reached, units delivered or work certified). Un-invoiced amounts are presented as contract assets. No significant financing component typically exists in these contracts.
Cost-reimbursable	A number of projects within these segments are undertaken using cost reimbursable/target-price (possibly with a pain/gain share mechanism) contracts. These projects are often delivered under frameworks. Individual performance obligations under the framework are normally determined at a project level, however, projects are combined where appropriate. Where projects are combined, the Group constrains revenue and calculates any pain/gain mechanism at the combined level. The Group typically receives payments from the customer based on actual costs incurred. Revenue is therefore recognised over time (the period of construction) based on an input model (reference to costs incurred to date). Un-invoiced amounts are presented as contract assets. No significant financing component typically exists in these contracts.
Facilities management*	Contracts undertaken within the Building segment that provide full life-cycle solutions to clients, are accounted for as a single performance obligation, with revenue recognised over time and typically on a straight-line basis.

* Facilities management represents around 5% of the total Building segment turnover.

(ii) Investments segment

Our Investments business specialises in managing construction through to operations for major building projects through public private partnerships and co-development opportunities. The business leads bid consortia and arranges finance, as well as making debt and equity investments (which are recycled).

Revenue stream	Nature, timing of satisfaction of performance obligations and significant payment terms
Investments	The Group has investments in a number of Public-Private Partnerships (PPP) Special Purpose Vehicles (SPVs), delivering major building and infrastructure projects. Development fees and land sales on co-development private rental schemes represent a performance obligation that is recognised at a point in time when control is deemed to pass to the customer (on financial close). The business additionally provides management services and project manages developments under Management Service Agreements (MSA) or separate development arrangements. Revenue for these services is typically recognised over time as and when the service is delivered to the customer. The business additionally provides management services to the SPVs under Management Service Agreements (MSA). Revenue for these services is typically recognised over time as and when the service is delivered to the customer.

3 Revenue continued

Disaggregation of revenue

The Group considers the split of revenue by operating segment to be the most appropriate disaggregation. All revenue in the year has been derived from performance obligations settled over time (2024: all revenue over time except for £7.3m that was recognised at a point in time within the investments segment).

Revenue on existing contracts, where performance obligations are unsatisfied or partially unsatisfied at the balance sheet date, is expected to be recognised as follows:

	2026 £m	2027 £m	2028 onwards £m	Total £m
Revenue – year ended 30 June 2025				
Building	736.6	180.1	56.4	973.1
Infrastructure	500.3	176.3	52.4	729.0
Total Construction	1,236.9	356.4	108.8	1,702.1
Investments	3.1	2.7	24.4	30.2
Total transaction price allocated to performance obligations yet to be satisfied	1,240.0	359.1	133.2	1,732.3
	2025 £m	2026 £m	2027 onwards £m	Total £m
Revenue – year ended 30 June 2024				
Building	660.1	177.0	1.9	839.0
Infrastructure	572.3	157.9	16.6	746.8
Total Construction	1,232.4	334.9	18.5	1,585.8
Investments	2.8	2.5	25.3	30.6
Total transaction price allocated to performance obligations yet to be satisfied	1,235.2	337.4	43.8	1,616.4

Any element of variable consideration is estimated at a value that is highly probable not to result in a significant reversal in the cumulative revenue recognised.

4 Exceptional items

	2025 £m	2024 Restated (note 34) £m
Contract losses ¹	–	(11.7)
Implementation costs of cloud based arrangements ²	–	(2.6)
Finance income ³	–	0.8
Loss before tax	–	(13.5)
Associated tax credit on items above (note 8)	–	3.4
Exceptional income tax credit (note 8) ³	–	9.6
Total	–	(0.5)

1 Management have classified material losses of £11.7m arising on specific batches of contracts under one framework agreement, acquired in the nmcn water division acquisition in FY2022, as an exceptional item in the 2024 results. The Group considers the impact to be exceptional given its nature (relating to acquired contracts) and quantum (being material), and therefore should be separately disclosed.

2 The Group incurred £2.6m of customisation and configuration costs associated with the move to Oracle Fusion during the year to 30 June 2024, a cloud-based computing arrangement. Taking into account the IFRIC Agenda Decision issued by the IFRS IC in March 2021, the Group has analysed the costs and concluded that these costs should be expensed in the period. In accordance with the Group's existing accounting policy, management considers that the costs should be separately disclosed as exceptional because they are significant and irregular. The move to Oracle Fusion was completed in the year ended 30 June 2024 with no further exceptional costs expected.

3 The Group previously disclosed that it had not recognised an asset in respect of historic trading losses due to the losses being subject to agreement with HMRC. This led to an uncertain tax position where no asset was recognised as, based on the advice of tax advisors, the Group concluded it was not probable HMRC would accept the claims to utilise the losses. During the year to 30 June 2024 HMRC agreed a quantum of historic trading losses available and that they could be utilised against historical trading profits, resulting in a cash tax refund of £9.6m with associated interest of £0.8m, which was received after 30 June 2024. Management considered that the refund should be disclosed separately as exceptional given it is material in quantum and one off in nature.

In the year to 30 June 2024, an associated net tax credit of £3.4m has been recognised in respect of the exceptional items (excluding the exceptional tax credit noted in footnote 3 above). No exceptional items have been recognised during the year to 30 June 2025.

The Company has no exceptional items.

Notes to the financial statements

continued

5 Employees and directors

Employee benefit expense during the year

	Notes	Group		Company	
		2025 £m	2024 £m	2025 £m	2024 £m
Wages and salaries		250.3	229.2	-	-
Social security costs		28.9	27.8	-	-
Other pension costs		29.0	25.4	-	-
Share-based payments	25	3.4	1.8	-	-
Total		311.6	284.2	-	-

All employees are entitled to join the Galliford Try Pension Scheme, a defined contribution scheme established as a stakeholder plan, with a Company contribution based on a scale dependent on the employee's age and the amount they choose to contribute. Since 1 July 2013, all non-participating and newly-employed staff have been auto-enrolled into the separate stakeholder plan and are entitled to increase their contribution rates in line with existing members. Since 1 April 2009, the Group has operated a pension salary sacrifice scheme, which means that all employee pension contributions are paid as employer contributions on their behalf.

All pension costs in the current and prior years were in respect of the Group's defined contribution schemes. Of the total charge, £16.0m (2024: £14.1m) and £13.0m (2024: £11.3m) were included, respectively, within cost of sales and administrative expenses.

Average monthly number of people (including Executive and non-executive directors) employed

	Group		Company	
	2025 Number	2024 Number	2025 Number	2024 Number
By business:				
- Building	1,358	1,296	-	-
- Infrastructure	2,680	2,575	-	-
Construction	4,038	3,871	-	-
Investments	58	58	-	-
Central	200	193	6	6
Total	4,296	4,122	6	6

Remuneration of key management personnel

The key management personnel comprise the Executive Board and non-executive directors. The remuneration of the key management personnel of the Group is set out below in aggregate for each of the categories specified in IAS 24, Related Party Disclosures. Further information about the remuneration of individual directors, including any interests in the Company's shares, is provided in the audited part of the Directors' remuneration report.

	2025 £m	2024 £m
Salaries and short-term employee benefits	4.7	3.5
Retirement benefit costs	0.3	0.3
Share-based payments	2.1	1.1
Total	7.1	4.9

6 Net finance income

Group	2025 £m	2024 £m
Finance income on bank deposits	5.2	4.6
Finance income from PPP Investments and joint ventures	3.7	4.2
Finance income before exceptional items	8.9	8.8
Finance costs on lease liabilities	(3.5)	(2.9)
Other finance costs	(1.0)	(0.5)
Finance costs before exceptional items	(4.5)	(3.4)
Exceptional items	-	0.8
Net finance income	4.4	6.2

7 Profit before income tax

The following items have been included in arriving at profit before income tax:

	Notes	2025 £m	2024 Restated (note 34) £m
Employee benefit expense	5	311.6	284.2
Total depreciation	13 & 14	23.5	18.4
Amortisation and impairment of intangible assets	11	0.9	2.3
Repairs and maintenance expenditure on property, plant and equipment		1.5	1.6
Exceptional items	4	-	13.5

In addition to the above, the Group incurs other costs classified as cost of sales relating to labour, materials and subcontractors' costs.

Services provided by the Group's auditor and network firms

During the year, the Group obtained the following services from the Group's auditor at costs as detailed below:

	2025 £m	2024 £m
Fees payable to the Company's auditor for the audit of Parent Company and consolidated financial statements	0.2	0.2
Fees payable to the Company's auditor for other services:		
The audit of financial statements of the Company's subsidiaries	2.2	2.0
Audit-related assurance services	0.1	0.1
Total other services	2.3	2.1
Total	2.5	2.3

The audit of financial statements of the Company's subsidiaries for 2025 and 2024 includes an amount in respect of additional costs related to the 2024 and 2023 audit respectively. A description of the work of the Audit Committee in respect of the auditor's independence is set out in the Governance report.

Notes to the financial statements

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8 Income tax charge/(credit)

Group	Notes	2025 £m	2024 ¹ Restated (note 34) £m
Analysis of expense in year			
Current year's income tax			
Current tax	4	4.6	1.8
Deferred tax	22	6.2	3.2
Adjustments in respect of prior years			
Current tax	4	–	(9.7)
Deferred tax	22	(0.3)	(3.5)
Income tax expense/(credit)		10.5	(8.2)
Tax on items recognised in other comprehensive income			
Tax recognised in other comprehensive income		–	–
Total tax expense/(credit)		10.5	(8.2)

1 The year ended 30 June 2024 tax reconciliation includes £9.6m within the current tax adjustment in respect of prior year years relating to historic trading losses as explained in note 4, in addition to the tax impact of the other exceptional items as shown in note 4.

The total income tax charge for the year of £10.5m (2024 restated: credit of £8.2m) is lower (2024: lower) than the expected charge based on the standard rate of corporation tax in the UK of 25.0% (2024: 25.0%). The differences are explained below:

	2025 £m	2024 Restated (note 34) £m
Profit before income tax	44.1	19.2
Profit before income tax multiplied by the standard corporation tax rate in the UK of 25.0% (2024: 25.0%)	11.0	4.8
Effects of:		
Expenses not deductible for tax purposes	–	0.2
Non-taxable income	(0.2)	(0.2)
Adjustments in respect of prior years	(0.3)	(13.1)
Other	–	0.1
Income tax expense/(credit)	10.5	(8.2)

For the year ended 30 June 2024, the adjustments in respect of prior years include £9.6m tax credit for exceptional items, as explained in note 4.

The Group is within the scope of OECD Pillar Two rules. The rules are designed to ensure a minimum effective tax rate of 15% across each country of operation.

The rules were enacted into UK law in July 2023 and are effective from 1 July 2024 to the Group. Due to the Group trading only in the UK, it is not expected there will be a significant impact as a result of the implementation of the rules, however the Group continues to review any potential implications with advisors.

9 Dividends

Group and Company	2025		2024	
	£m	pence per share	£m	pence per share
Previous year final	11.9	11.5	7.7	7.5
Special	–	–	12.5	12.0
Current year interim	5.6	5.5	4.0	4.0
Dividend recognised in the year	17.5	17.0	24.2	23.5

The following dividends were declared by the Company in respect of each accounting period presented:

	2025		2024	
	£m	pence per share	£m	pence per share
Interim	5.6	5.5	4.0	4.0
Final	13.8	13.5	11.9	11.5
Dividend relating to the year	19.4	19.0	15.9	15.5

The directors are proposing a final dividend in respect of the financial year ended 30 June 2025 of 13.5 pence per share (2024: 11.5 pence per share), bringing the total dividend in respect of 2025 to 19.0 pence per share (2024: 15.5p excluding the special dividend). The final dividend will absorb approximately £3.8m (2024: £11.9m) of equity. Subject to shareholders' approval at the AGM to be held on 13 November 2025, the dividend will be paid on 5 December 2025 to shareholders who are on the register of members at the close of business on 7 November 2025.

10 Earnings per share

Basic and diluted earnings per share (EPS)

Basic EPS is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, excluding those held by the Trust, which are treated as cancelled.

Under normal circumstances, the average number of shares is diluted by reference to the average number of potential ordinary shares held under option in the year. The dilutive effect amounts to the number of ordinary shares which would be purchased using the aggregate difference in value between the market value of shares and the share option price. Only shares that have met their cumulative performance criteria are included in the dilution calculation. The Group has two classes of potentially dilutive ordinary shares: those share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year and the contingently issuable shares under the Group's long-term incentive plans. A loss per share cannot be reduced through dilution, hence this dilution is only applied where the Group has reported a profit.

The earnings and weighted average number of shares used in the calculations are set out below.

	2025			2024		
	Earnings £m	Weighted average number of shares	Per share amount pence	Earnings restated (note 34) £m	Weighted average number of shares	Per share amount restated (note 34) pence
Basic EPS						
Earnings attributable to ordinary shareholders	33.6	99,627,362	33.7	27.4	100,051,095	27.3
Basic EPS – Adjusted (note 32)¹						
Adjusted earnings attributable to ordinary shareholders	34.3	99,627,362	34.4	29.6	100,051,095	29.6
Effect of dilutive securities:						
Options	n/a	4,668,120	n/a	n/a	4,315,217	n/a
Diluted EPS	33.6	104,295,482	32.2	27.4	104,366,312	26.2
Diluted EPS – Adjusted (note 32) ¹	34.3	104,295,482	32.9	29.6	104,366,312	28.4

1 Adjusted EPS – basic and diluted, were previously reported on a pre-exceptional basis which excluded exceptional items only. The adjusted measure excludes the amortisation of acquired intangible assets. Refer to note 32 for further details.

Notes to the financial statements

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11 Intangible asset

Group	Notes	Customer contracts and relationships £m	Computer software £m	Total £m
Cost				
At 1 July 2023		17.7	11.5	29.2
Additions	30	1.0	–	1.0
At 30 June 2024		18.7	11.5	30.2
Disposals		–	(10.9)	(10.9)
At 30 June 2025		18.7	0.6	19.3
Accumulated amortisation and impairment loss				
At 1 July 2023		(12.5)	(11.1)	(23.6)
Amortisation in year		(1.9)	(0.4)	(2.3)
At 1 July 2024		(14.4)	(11.5)	(25.9)
Amortisation in year		(0.9)	–	(0.9)
Disposals		–	10.9	10.9
At 30 June 2025		(15.3)	(0.6)	(15.9)
Net book amount				
At 30 June 2025		3.4	–	3.4
At 30 June 2024		4.3	–	4.3
At 30 June 2023		5.2	0.4	5.6

All amortisation charges in the year have been included in administrative expenses. Computer software relates to the Group's reporting systems.

The remaining period of amortisation on customer contracts and relationships ranges between two and nine years.

12 Goodwill

Group	Notes	£m
Cost		
At 30 June 2023		92.7
Additions	30	0.9
At 30 June 2024		93.6
Additions		–
At 30 June 2025		93.6
Aggregate impairment at 30 June 2023, 2024 and 2025		–
At 30 June 2023, 2024 and 30 June 2025		–
Net book amount		
At 30 June 2025		93.6
At 30 June 2024		93.6
At 30 June 2023		92.7

12 Goodwill continued

Goodwill is allocated to the Group's CGUs identified according to business segment. The goodwill is attributable to the following business segments:

	2025 £m	2024 £m
Building	40.0	40.0
Infrastructure	53.6	53.6
	93.6	93.6

Impairment review of goodwill and key assumptions

Goodwill is tested for impairment at least annually. The recoverable amount of a CGU is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on future financial budgets approved by the Board, based on past performance and its expectation of market developments. The key assumptions within these budgets relate to revenue and the future profit margin achievable, in line with our strategy and targets as set out in the Strategic report. Future budgeted revenue is based on management's knowledge of actual results from prior years and latest forecasts for the current year, along with the existing secured works and management's expectation of the future level of work available within the market sector. In establishing future profit margins, the margins currently being achieved are considered in conjunction with expected inflation rates in each revenue and cost category. In Building and Infrastructure, the margins currently being achieved are expected to increase in line with the strategy set out in the Strategic report.

Cash is monitored on a daily, weekly and monthly basis for the purposes of managing both treasury and the business as a whole. Details of the Group's treasury management are included within the Financial review in the Strategic report of the Annual Report. The assumptions used are reviewed regularly and differences between forecast and actual results are closely monitored, with variances being investigated fully. The knowledge gained from this past experience is used to ensure that the future assumptions used are consistent with past actual outcomes and are management's best estimate of the future cash flows of each business unit.

Cash flows beyond the budgeted three-year period are extrapolated using an estimated growth rate within each segment. The growth rate used is the Group's estimate of the average long-term growth rate for the market sectors in which the CGU operates. Furthermore, sensitivity analysis has been undertaken on each goodwill impairment review, by changing the discount rates, profit margins, growth rates and other variables applicable to each CGU, and the results are noted below.

The pre-tax discount rates for each CGU are noted below.

Building CGU

A pre-tax discount rate of 13.2% (2024: 12.9%) in Building has been applied to the future cash flows, based on an estimate of the weighted average cost of capital (WACC) of that division.

A long-term growth rate of 2.0% per annum has been applied to the budgeted cash flows (reflecting the Board-approved budget operating margins and working capital cash flows) into perpetuity and these assumptions result in the recoverable value of this CGU being significantly in excess of the carrying value of the CGU assets.

The Building CGU is not sensitive to changes in key assumptions and management does not consider that any reasonable possible change in any single assumption or combination of reasonable possible changes in assumptions would give rise to an impairment of the carrying value of goodwill and intangibles.

Infrastructure CGU

A pre-tax discount rate of 13.1% (2024: 12.8%) in Infrastructure has been applied to the future cash flows, based on an estimate of the weighted average cost of capital of that division.

A long-term growth rate of 2.0% per annum has been applied to the budgeted cash flows (reflecting the Board-approved budget operating margins and working capital cash flows) into perpetuity and these assumptions result in the recoverable value of this CGU being significantly in excess of the carrying value of the CGU assets.

The Infrastructure CGU is not sensitive to changes in key assumptions and management does not consider that any reasonable possible change in any single assumption or combination of reasonable possible changes in assumptions would give rise to an impairment of the carrying value of goodwill and intangibles.

Notes to the financial statements

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13 Property, plant and equipment

Group	Land and buildings £m	Plant and machinery £m	Fixtures and fittings £m	Total £m
Cost				
At 1 July 2023	3.3	4.2	4.3	11.8
Additions	0.2	0.6	0.8	1.6
Disposals	(0.2)	(3.4)	(0.3)	(3.9)
At 1 July 2024	3.3	1.4	4.8	9.5
Additions	1.4	0.1	0.9	2.4
Disposals	-	-	(1.1)	(1.1)
At 30 June 2025	4.7	1.5	4.6	10.8
Accumulated depreciation				
At 1 July 2023	(0.9)	(0.9)	(2.8)	(4.6)
Charge for the year	(0.3)	(0.2)	(0.5)	(1.0)
Disposals	0.2	0.9	0.3	1.4
At 1 July 2024	(1.0)	(0.2)	(3.0)	(4.2)
Charge for the year	(0.4)	(0.5)	(0.8)	(1.7)
Disposals	-	-	1.1	1.1
At 30 June 2025	(1.4)	(0.7)	(2.7)	(4.8)
Net book amount				
At 30 June 2025	3.3	0.8	1.9	6.0
At 30 June 2024	2.3	1.2	1.8	5.3
At 30 June 2023	2.4	3.3	1.5	7.2

There has been no impairment of property, plant and equipment during the year (2024: £nil).

The Company has no property, plant or equipment.

14 Leases

This note provides information for leases where the Group is a lessee.

The Company holds no leases.

Right-of-use assets

Cost	Land and buildings £m	Plant and machinery £m	Motor vehicles £m	Total £m
At 30 June 2024	18.8	13.0	48.5	80.3
At 30 June 2025	19.1	16.0	56.6	91.7
Accumulated depreciation				
At 30 June 2024	(6.2)	(4.8)	(17.9)	(28.9)
At 30 June 2025	(6.7)	(8.4)	(25.5)	(40.6)
Net book amount				
At 30 June 2025	12.4	7.6	31.1	51.1
At 30 June 2024	12.6	8.2	30.6	51.4

Additions to the right-of-use assets during the 2025 financial year were £23.9m (2024: 30.8m).

14 Leases continued

Lease liabilities

	2025 £m	2024 £m
Current	22.7	20.5
Non-current	31.1	32.5
Total lease liabilities	53.8	53.0

Movement in Lease Liabilities from financing activities

	Opening balance	Financing cash flows	New leases	Interest expense	Interest payments (presented as operating cash flows)	Closing balance
2024	39.1	(16.7)	30.6	2.9	(2.9)	53.0
2025	53.0	(21.2)	22.0	3.5	(3.5)	53.8

The consolidated income statement shows the following amounts relating to leases for continuing operations:

	2025 £m	2024 £m
Depreciation of right-of-use assets:		
– Land and buildings	2.5	2.5
– Plant and machinery	5.7	4.2
– Motor vehicles	13.6	10.7
Interest expense (included in finance cost)	3.5	2.9
Expense relating to short-term leases (included in cost of sales and administrative expenses)	16.8	13.2
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	1.2	0.7
Total expenses	43.3	34.2

The total cash outflow for leases in the year to 30 June 2025 was £24.7m, of which £3.5m was included in net interest expense – note 6 (2024: £19.6m and £2.9m respectively).

Maturity of contractual undiscounted future lease payments:

	Land and buildings £m	Plant and machinery £m	Motor vehicles £m	Total £m
As at 30 June 2025				
Less than 1 year	3.1	4.6	15.0	22.7
Between 1 and 5 years	8.1	3.6	21.2	32.9
More than 5 years	6.9	0.1	–	7.0
Total	18.1	8.3	36.2	62.6
As at 30 June 2024				
Less than 1 year	3.0	4.1	13.4	20.5
Between 1 and 5 years	8.9	1.8	24.1	34.8
More than 5 years	8.8	–	–	8.8
Total	20.7	5.9	37.5	64.1

Notes to the financial statements

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15 Investments in subsidiaries

Company	2025 £m	2024 £m
Cost		
As at 1 July 2024 and 2023	189.2	188.5
Additions	0.5	0.7
At 30 June	189.7	189.2
Aggregate impairment		
As at 1 July 2024 and 2023	-	-
At 30 June	-	-
Net book value		
At 30 June	189.7	189.2

The carrying value of investments was reviewed and no impairment indicator was identified.

The subsidiary undertakings that principally affected profits and net assets of the Group were:

- ➔ Galliford Try Construction Limited
- ➔ Galliford Try Infrastructure Limited¹
- ➔ Galliford Try Investments Limited
- ➔ Galliford Try Facilities Management Limited
- ➔ Galliford Try Services Limited
- ➔ Galliford Try Limited²

1 Incorporated in Scotland.

2 Shares owned directly by the Company.

Unless otherwise stated, each subsidiary has a 30 June year-end, operates as a construction company, is incorporated in England & Wales and 100% of ordinary shares and voting rights are held by the Group. Galliford Try Services Limited operates as central administration company to the Group.

On 30 November 2023, the Group disposed of 100% of the share capital of Rock & Alluvium Limited for consideration of £3.9m, of which £1.8m was satisfied on completion of the disposal, with the balance settled during the year.

A full list of the Group's undertakings is set out in note 33.

16 PPP and other investments

Group	2025 £m	2024 £m
At 1 July	41.8	44.6
Disposals and subordinated loan repayments	(1.3)	(1.3)
Movement in fair value	(1.9)	(1.5)
At 30 June	38.6	41.8

These comprise debt and equity investments in PPP/PFI investments (joint ventures and associates) over which the Group has significant influence.

Debt investments at fair value through OCI

The debt element of the investments represents over 99% of the total portfolio balance and is held at fair value. The fair value reflects a blended discount rate of 7.9% (2024: 7.6%). A 0.5% increase/reduction in the discount rate would result in a corresponding decrease/increase in the value of the investments recorded in the balance sheet of approximately £1.3m (2024: £1.5m).

No material financial assets are past their due dates (2024: £nil), and the directors expect an average maturity profile in excess of 10 years. Further disclosures relating to financial assets are set out in note 23.

The expected credit loss (ECL) was assessed to be minimal and accordingly no ECL recognised.

During the year, there were no additions (2024: £nil) to the Group's PPP/PFI investments and subordinated loans of £1.3m (2024: £1.3m) were repaid. Of the total fair value movement in the year of £1.9m (2024: £1.5m), all of it relates to the movement in the fair value of the PPP/PFI investments (2024: £1.5m) and has been recorded through other comprehensive income.

The Group has commitments of £nil (2024: £nil) to provide further subordinated debt to its investments.

16 PPP and other investments continued

Equity accounted investments

The Group applies equity accounting to the equity element of its PPP/PFI investments. As the predominant value to the Group is within the debt element, £nil (2024: £nil) has been recognised through equity accounting. The joint ventures and associates have non-profit distribution agreements or restrictions on timing and quantum of distributions being made.

The material joint ventures (due to their shareholding and/or issuing listed debt) are disclosed within this note. The net assets disclosed in the income statement and balance sheet extracts below are not recognised as part of the investment in joint ventures. The information disclosed reflects the amounts presented in the financial statements or management accounts of the relevant joint ventures and associates and not the Group's share of those amounts.

The Group has an investment in Space Scotland Limited which it considers to be a material joint venture by virtue of the companies it is a shareholder. Space Scotland Limited holds the Group's investments in several of the PPP/PFI entities to which this note relates. The individual entities are not considered to be material to the Group. The income statement and balance sheets for Space Scotland Limited is £nil (2024: £nil).

	Aberdeen Roads (Finance) Plc		Aberdeen Roads Limited ¹	
	2025 £m	2024 £m	2025 £m	2024 £m
Income statement – extracts				
Revenue ²	-	-	(2.1)	(1.9)
Depreciation and amortisation	-	-	-	-
Finance income	22.4	23.3	29.0	29.7
Finance expense	(22.4)	(23.3)	(22.4)	(23.3)
Income tax expense	-	-	-	-
Profit (100%)	-	-	-	-
Other comprehensive (expense)/income	(1.2)	(2.1)	-	-
Total comprehensive income (100%)	(1.2)	(2.1)	-	-
Group's share of profit and total comprehensive income	(0.4)	(0.7)	-	-
Dividends received by the Group during the year	-	-	-	-
Balance sheet – extracts				
Cash and cash equivalents	0.7	0.9	28.7	28.0
Other current assets	-	-	4.8	4.9
Current assets	0.7	0.9	33.5	32.9
Non-current assets	496.2	515.1	505.9	520.2
Current external borrowings – bank/listed bonds	(19.1)	(19.5)	-	-
Other current liabilities	(3.1)	(3.4)	(43.7)	(39.5)
Current liabilities	(22.2)	(22.9)	(43.7)	(39.5)
Non-current external borrowings – bank/listed bonds	(430.6)	(445.3)	-	-
Other non-current liabilities	(42.9)	(45.4)	(495.7)	(513.6)
Non-current liabilities	(473.5)	(490.7)	(495.7)	(513.6)
Net assets (100%)	1.2	2.4	-	-

1 Material due to their holdings and/or issuing listed debt.

2 Revenue includes a deduction for the non-profit distribution model (NPD) surplus.

The Group's share of PPP and other investments' external bank funding was £221.1m at 30 June 2025 (2024: £233.5m). The Group's share of these entities' other external funding consists of £64.1m (2024: £64.1m) of listed bonds. These balances are non-recourse to the Group.

Details of related party transactions with joint ventures and associates are given in note 29. The Group's shareholding in each joint venture and associate can be seen in note 33.

Notes to the financial statements

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17 Trade and other receivables

	Notes	Group	
		2025 £m	2024 Restated (note 34) £m
Current assets:			
Trade receivables		47.2	43.7
Less: provision for impairment of receivables		(0.4)	(0.4)
Trade receivables – net		46.8	43.3
Contract assets	21	295.9	290.5
Amounts due from joint ventures and associates		6.9	0.8
Research and development expenditure credits		5.1	5.4
Other receivables		9.9	14.0
Prepayments		24.0	17.2
		388.6	371.2

The Company has no trade and other receivables (2024: £nil).

Retentions will be collected in the normal operating cycle of the Group and are therefore shown as a current asset. It is expected that £47.8m (2024: £37.5m) will be collected within 12 months from the balance sheet date.

The Group has no significant capitalised contract costs.

There have been no movements in the Group's provision for impairment of trade receivables.

Provisions for impaired receivables have been included in administrative expenses in the income statement. Amounts charged to the impairment provision are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the book value of each class of receivable mentioned above, along with the Group's cash and cash equivalents. The Group does not hold any collateral as security.

Management believes that the concentration of credit risk with respect to trade receivables is limited, due to the Group's customer base being large, unrelated and predominantly within the public and regulated sectors.

As of 30 June 2025, trade receivables of £12.2m (2024: £14.5m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default and there are no indications that they will not meet their payment obligations in respect of the trade receivables recognised in the balance sheet that are past due and unprovided. The ageing analysis of these trade receivables is as follows:

	2025 £m	2024 £m
Number of days past due date		
Less than 30 days	5.1	9.3
Between 30 and 60 days	3.7	0.7
Between 60 and 90 days	0.7	0.1
Between 90 and 120 days	0.7	1.1
Greater than 120 days	2.0	3.3
	12.2	14.5

As of 30 June 2025, trade receivables were considered for impairment based on management's judgement and review of the trade receivables listings. The amount provided for these balances was £0.4m (2024: £0.4m). The allocation of the provision is as follows:

	2025 £m	2024 £m
Number of days past due date:		
Greater than 120 days	0.4	0.4
	0.4	0.4

18 Cash and cash equivalents

	Group		Company	
	2025 £m	2024 £m	2025 £m	2024 £m
Cash at bank and in hand and per the statement of cash flows	237.6	227.0	113.5	110.0

Cash at bank above includes £23.0m (2024: £21.7m), being the Group's share of cash held by jointly controlled operations. The Group has no bank borrowings or loans.

Net cash excludes IFRS 16 lease liabilities (note 14).

Cash and cash equivalents and bank overdrafts are presented on a net (offset) basis. In 2016, the IFRS Interpretations Committee released an update in respect of IAS 32 'Financial instruments: presentation' specifically in relation to offsetting and cash pooling. This clarified that in order to offset bank account balances, an entity must have both a legally enforceable right and an intention to do so. The Group's bank arrangements and facilities with both HSBC Bank plc and Barclays Bank plc provide the legally enforceable right to offset and the Group demonstrated its intention to offset by formally sweeping the balances within each bank. Consequently, the balances have been offset in the financial statements.

19 Trade and other payables

	Notes	Group	
		2025 £m	2024 Restated (note 34) £m
Trade payables		124.9	107.6
Contract liabilities	21	124.7	131.3
Other taxation and social security payable		48.1	70.4
Other payables		2.8	2.4
Accruals		308.6	309.6
		609.1	621.3

The Company has no trade and other payables (2024: none).

All payables are unsecured. Retentions will be paid in the normal operating cycle of the Group and are therefore shown as a current liability.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

20 Provisions for other liabilities and charges

Group	Onerous contracts	Rectification	Total £m
At 30 June 2023	(2.0)	(27.9)	(29.9)
Balance sheet reclassification ¹	(0.5)	(4.5)	(5.0)
Utilised	1.6	3.6	5.2
Released	-	2.3	2.3
Additions	(0.6)	(8.2)	(8.8)
At 30 June 2024	(1.5)	(34.7)	(36.2)
Utilised	0.5	11.4	11.9
Released	-	1.3	1.3
Additions	-	(25.6)	(25.6)
At 30 June 2025	(1.0)	(47.6)	(48.6)

1 Correction of immaterial balance sheet classifications in the previous year.

Onerous contract provisions are made on loss-making contracts the Group is obliged to complete.

Rectification provisions are made for potential claims and defects for remedial works against work completed by the Group, and include provisions for dilapidations on premises the Group occupies.

As at 30 June 2025 £13.1m (2024: £14.6m) of provision related to one contract. Further details are provided in the critical accounting estimates and judgements. The remaining balance of the provision relates to a number of immaterial balances. Due to the level of uncertainty, combination of cost and income variables and timing across the remaining portfolio of contracts, it is impracticable to provide a quantitative analysis of the aggregated judgements that are applied at a portfolio level and therefore management has not given a range of expected outcomes.

20 Provisions for other liabilities and charges continued

Due to the nature of the provisions, the timing of any potential future outflows is uncertain, however they are expected to be utilised within the Group's normal operating cycle, and accordingly are classified as current liabilities. Of the total provisions, £36.0m (2024: £24.6m) is likely to be utilised within 12 months, with the remainder utilised in more than 12 months. The impact of discounting is not material.

The Group regularly engages in contracts with general or defect warranty rectification requirements, typically less than 3 years. Within the pool of open warranty period contracts, the Group built, as part of a joint operation with two other partners, a single infrastructure scheme under a contract that included various defect warranty obligations, with the longest obligation lasting up to 12 years.

At 30 June 2025, there remained 6 years (2024: 7 years) of the longest warranty liability period remaining. This is the only contract the Group has that has a general defect warranty period of this length. The contractual nature of the defect warranty liability and the completion of the scheme are the obligating events and the Group, as part of the joint operation, has remediated items since completion and has other known issues ongoing that will likely result in future cash outflows, though the timing and quantum remain uncertain.

The Group also believes that there will be further unknown but probable cash outflows relating to as yet unknown items as scheduled inspections of various structural elements of the scheme are completed that have a potentially material range of outcomes. The Group has provided £13.1m (2024: £14.6m) against future defect costs and this represents management's best estimate of potential future payments associated with the warranty rectification responsibilities. The provision requires a limited number of significant estimates and assumptions by management, with a significant level of estimation risk as a result arising from the level of defects and associated cost that may arise.

Management estimates the reasonable range of estimates to be between £7.3m and £19.2m at 30 June 2025 (2024: between £7.3m and £17.5m). During the year £0.1m and £1.3m (2024: £0.1m and £2.3m) of the opening provision of £14.6m (2024: £16.9m) was utilised and released respectively, with additions of £nil (2024: £0.1m) made in the year. Management has sought input from external experienced industry figures and industry bodies to support the provision it has made.

The Company does not hold any provisions.

21 Contract balances

Contract assets and liabilities are included within 'trade and other receivables' and 'trade and other payables' respectively on the face of the balance sheet. Where there is a corresponding contract asset and liability in relation to the same contract, the balance shown is the net position. The timing of work performed (and thus revenue recognised), billing profiles and cash collection results in trade receivables (amounts billed to date and unpaid), contract assets (unbilled amounts where revenue has been recognised) and contract liabilities (customer advances and deposits where no corresponding work has yet to be performed), being recognised on the Group's balance sheet.

The reconciliation of the Group opening to closing contract balances is shown below:

	2025		2024	
	Contract asset £m	Contract liability £m	Contract asset restated (note 34) £m	Contract liability restated (note 34) £m
At 1 July	290.5	(131.3)	204.9	(106.6)
Revenue recognised in the year	1,819.5	55.7	1,715.9	47.8
Net cash received in advance of performance obligations being fully satisfied	-	(49.1)	-	(72.5)
Transfers in the year from contract assets to trade receivables	(1,814.1)	-	(1,630.3)	-
30 June	295.9	(124.7)	290.5	(131.3)

Revenue allocated to performance obligations that are unsatisfied at 30 June, is expected to be recognised as disclosed in note 3.

The Company has no contract balances (2024: none).

The amount of revenue recognised in the year from performance obligations satisfied in previous periods amounts to £4.0m (2024: £4.7m).

22 Deferred income tax

Deferred income tax is calculated in full on temporary differences under the liability method and is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities. The net deferred tax position at 30 June was:

	Group	
	2025 £m	2024 Restated (note 34) £m
Deferred income tax assets	11.6	18.5
Deferred income tax liabilities	(0.6)	(0.6)
Net deferred income tax	11.0	17.9

The movement for the year in the net deferred income tax account is as shown below:

	Group	
	2025 £m	2024 Restated (note 34) £m
At 1 July	17.9	15.5
Current year's deferred income tax – expense taken to income statement	(6.2)	(3.2)
Current year's deferred income tax – credit/(expense) taken to equity	1.2	(0.7)
Adjustment in respect of prior years	0.4	4.5
Transfer (to)/from current tax assets	(2.3)	1.4
Acquisition of subsidiaries	–	(0.2)
Disposal of subsidiaries	–	0.6
At 30 June	11.0	17.9

All remaining material tax losses have now been recognised. The Group previously disclosed that it had not recognised £53.0m of trading losses due to them being subject to agreement with HMRC. During the year to 30 June 2024 HMRC confirmed the quantum of the trading losses available and that they could be utilised against historical trading profits, resulting in a cash refund of £9.6m and associated interest of £0.8m. This was recorded as an income tax receivable at 30 June 2024 and disclosed as exceptional as explained in note 4.

Movements in deferred income tax assets and liabilities during the year are shown below:

The Company has a deferred tax asset of £0.7m relating to timing differences on share based payments (2024: £0.4m).

Deferred income tax assets

Group	Share-based payments £m	Tax losses restated (note 34) £m	Other ¹ £m	Total restated (note 34) £m
At 1 July 2023	0.3	13.2	3.1	16.6
Expense taken to income statement	(0.3)	(2.5)	(0.5)	(3.3)
Credit in respect of prior years taken to income statement	0.8	2.7	–	3.5
Expense taken to equity	(0.7)	–	–	(0.7)
Net transfer from current tax income tax asset	–	1.4	–	1.4
Credit in respect of prior years taken to equity	1.0	–	–	1.0
At 30 June 2024 – restated	1.1	14.8	2.6	18.5
Credit/(expense) taken to income statement	0.1	(5.9)	(0.4)	(6.2)
Credit/(expense) in respect of prior years taken to income statement	–	0.5	(0.2)	0.3
Net transfer (from)/to current tax income tax asset	–	(2.3)	0.1	(2.2)
Credit in respect of prior years taken to equity	1.2	–	–	1.2
At 30 June 2025	2.4	7.1	2.1	11.6

¹ Deferred tax assets included in the 'Other' category relate predominantly to future income tax deductions available from IFRS transition adjustments in respect of IFRS 15 and IFRS 9 which are expected to be utilised over the next 3 years in line with the requirements of tax legislation.

The Company has a deferred tax asset of £0.7m (2024: £0.4m) relating to share based payments.

Notes to the financial statements

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22 Deferred income tax continued

Deferred income tax liabilities

Group	Accelerated tax depreciation £m	Intangible assets acquired £m	Total £m
At 30 June 2023	(0.4)	(0.7)	(1.1)
(Expense)/credit taken to income statement	(0.1)	0.2	0.1
(Expense)/credit in respect of prior years	(0.1)	0.1	-
Acquisition of subsidiary	-	(0.2)	(0.2)
Disposal of subsidiary	0.6	-	0.6
At 30 June 2024	-	(0.6)	(0.6)
At 30 June 2025	-	(0.6)	(0.6)

23 Financial instruments

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Financial assets and liabilities are offset and the net amount reported when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The Group and Company operate within financial risk policies and procedures approved by the Board. It is, and has been throughout the year, the Group's policy that no trading in financial instruments shall be undertaken. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Group's financial instruments principally comprise cash and cash equivalents, borrowings, receivables, payables and PPP and other investments that arise directly from its operations and its acquisitions. The Company's financial instruments comprise of cash and cash equivalents.

Capital risk management

The Group is funded by ordinary shares, retained profits and its strong net cash position (refer to note 18, 24 and 26). The Group's and Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. During the year to 30 June 2025, the Group enhanced its capital structure by securing a £25 million Revolving Credit Facility (RCF) as further explained below. The facility provides flexibility to support the Group's growth objectives while maintaining sufficient liquidity and financial discipline.

Financial risk factors

(a) Market risk

(i) Foreign exchange risk

All material activities of the Group take place within the UK and consequently there is little direct exchange risk, other than payments to overseas suppliers who require settlement in their currency. If there is any material foreign exchange exposure, the Group's policy is to enter into forward foreign currency contracts. The Group and Company have no material currency exposure at 30 June 2025 (2024: nil).

(ii) Price risk

Other than a residual interest in equity securities, the Group and Company are not exposed to equity or commodity price risk.

(iii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from movement in cash and cash equivalents as well as interest on any borrowings which can affect net finance income and cashflow. As noted below, the Group entered into a £25m RCF during the year with a three year term. Amounts drawn under the facility bear interest at a floating rate based on the Sterling Overnight Index Average (SONIA) plus a fixed margin. As at 30 June 2025, the Group had not drawn any amount under the facility and therefore had no exposure to variable interest rates on borrowing at the reporting date.

23 Financial instruments continued

(b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, deposits and borrowings with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The Group does not hold any debt facilities. Further details of credit risk relating to trade and other receivables are disclosed in note 17. No credit limits were exceeded during the reporting period, and management does not expect any material losses from non-performance of any counterparties, including in respect of receivables not yet due. The Group's maximum exposure to credit risk at the end of the reporting period is the carrying amount (book value) of each class of financial asset set out on the following page.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities as well as appropriate level of undrawn committed facilities. The Group finances its operations through its cash reserves and ongoing retained profits. During the year to 30 June 2025, the Group entered into a £25 million Revolving Credit Facility (RCF) with a syndicate of three banks. The facility provides greater agility and resilience, which alongside an already strong balance sheet, provides an excellent platform to take advantage of future growth opportunities. Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group, in accordance with practices and limits set by the Group. On a daily basis throughout the year, the bank balances or gross overdrafts in all the Group's operating companies are aggregated into a total cash figure, in order that the Group can obtain the most advantageous interest rate.

In accordance with IFRS 9 'Financial Instruments', the Group has reviewed all contracts for embedded derivatives that are required to be separately accounted for if they do not meet certain requirements set out in the standard. No such embedded derivatives have been identified.

Fair value of other financial assets and financial liabilities

Where market values are not available, fair values of financial assets and financial liabilities have been calculated by discounting expected future cash flows at the prevailing interest rate.

Primary financial instruments held or issued to finance the Group's operations:

	Notes	2025		2024 Restated (note 34)	
		Book value £m	Fair value £m	Book value £m	Fair value £m
Financial liabilities:					
Current financial liabilities measured at amortised cost	19	436.3	436.3	419.6	419.6
Financial assets:					
PPP and other investments	16	38.6	38.6	41.8	41.8
Current assets measured at amortised cost	17	364.6	364.6	354.0	354.0
Cash and cash equivalents	18	237.6	237.6	227.0	227.0

Prepayments are excluded from the financial assets measured at amortised cost; and statutory liabilities, contract liabilities and provisions are excluded from financial liabilities measured at amortised cost noted above. A maturity analysis of the Group's non-derivative financial liabilities is given in note 19.

Borrowing facilities

In March 2025, the Group entered a RCF agreement with syndicate of three banks – Barclays, Lloyds Banking Group and the National Bank of Kuwait. The facility provides the Group committed borrowing capacity of £25m for a term of three years, maturing in March 2028. The agreement includes the following features:

- An option to extend the facility by up to two years, subject to lender approval, and
- An accordion option, allowing the Group to request an increase in total commitment by a further £10m, subject to lender consent and documentation.

As at 30 June 2025, the Group had not drawn any amounts under the facility. The RCF remains undrawn since inception and provides additional liquidity headroom.

The facility bears interest at a variable rate linked to SONIA plus a margin, with commitment fees payable on the undrawn portion. The agreement includes customary financial covenants and undertakings, which the Group was in full compliance with as at the reporting date. The RCF is unsecured.

Notes to the financial statements

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23 Financial instruments continued

Fair value estimation

Specific valuation techniques used to value financial instruments are defined as:

- ➔ Level 1 – Quoted market prices or dealer quotes in active markets for similar instruments.
- ➔ Level 2 – The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.
- ➔ Level 3 – Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments. The fair value of other investments is set out in note 16.

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June:

	2025		2024	
	Level 3 £m	Total £m	Level 3 £m	Total £m
Assets				
Fair value through other comprehensive income				
– PPP and other investments	38.6	38.6	41.8	41.8
Total	38.6	38.6	41.8	41.8

There were no transfers between levels during the year.

Valuation processes

A review of the long term UK gilt rates, Bank of England base rates, UK inflation and other external market data (including the secondary market) for disposals is considered as part of the valuation process, which is ultimately agreed at the Executive Board, plc Board and Audit Committee.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Fair value measurements using significant unobservable inputs (Level 3)

	2025 £m	2024 £m
At 1 July	41.8	44.6
Movement in fair value	(1.9)	(1.5)
Disposals and subordinated loan repayments	(1.3)	(1.3)
Closing balance	38.6	41.8

The fair value is derived via a discounted cash flow. The key assumptions used in Level 3 valuations include the expected timing of receipts, credit risk and discount rates. The typical repayment period is 10–15 years and the timing of receipts is based on historical data. The fair value of the portfolio reflects a blended discount rate of 7.9% (2024: 7.6%) and is based on current market conditions. The sensitivity to discount rates is set out in note 16. If receipts were to occur earlier than expected, the fair value would increase.

24 Ordinary shares and share premium

Group	Number of shares	Ordinary shares £m	Share premium £m	Total £m
At 30 June 2023	104,869,194	52.4	–	52.4
Allotted under share option schemes	1,323,592	0.7	0.8	1.5
Cancellation of shares	(2,217,000)	(1.1)	–	(1.1)
At 30 June 2024	103,975,786	52.0	0.8	52.8
Allotted under share option schemes	856,343	0.4	0.8	1.2
Cancellation of shares	(2,690,861)	(1.3)	–	(1.3)
At 30 June 2025	102,141,268	51.1	1.6	52.7

Company	Number of shares	Ordinary shares £m	Share premium £m	Total £m
At 30 June 2023	104,869,194	52.4	–	52.4
Allotted under share option schemes	1,323,592	0.7	0.8	1.5
Cancellation of shares	(2,217,000)	(1.1)	–	(1.1)
At 30 June 2024	103,975,786	52.0	0.8	52.8
Allotted under share option schemes	856,343	0.4	0.8	1.2
Cancellation of shares	(2,690,861)	(1.3)	–	(1.3)
At 30 June 2025	102,141,268	51.1	1.6	52.7

The Company does not have a limit on the authorised capital and does not hold any shares in treasury.

Number of shares refers to 50p ordinary shares, which are authorised, issued and fully paid. There are no shares authorised and issued but not fully paid.

In September 2022, having reviewed the Group's strong cash performance and ongoing capital requirements the Group launched a share buyback programme of up to a maximum of £15.0m. On 17 November 2023 we announced the completion of the share buyback programme with a total of 8,404,148 shares repurchased and subsequently cancelled, representing approximately 7.5% of issued share capital.

On 3 October 2024 the Group launched a share buyback programme of up to a maximum of £10.0m of Company shares. As at 30 June 2025 the Group had completed the share buyback programme with a total of 2,690,861 shares repurchased and subsequently cancelled, at an average price of approximately £3.72 per share, representing approximately 2.6% of issued share capital.

At 30 June 2025, the total number of shares outstanding under the share incentive plans was 6,853,670 (2024: 7,195,332) as detailed in note 25.

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25 Share-based payments

The Group operates performance-related share incentive plans for Executives, details of which are set out in the Directors' Remuneration report, as well as long term bonus plans for staff in addition to a Group wide sharesave schemes. The total charge for the year before tax relating to employee share-based payment plans was £3.4m (2024: £1.8m), all of which related to equity-settled share-based payment transactions.

Savings-related share options

The Company operates an HMRC approved sharesave scheme, under which employees are granted an option to purchase ordinary shares in the Company at up to 20% less than the market price at grant, in three years' time, dependent on their entering into a contract to make monthly contributions into a savings account over the relevant period. These funds are used to fund the option exercise. This scheme is open to all employees meeting the minimum employment period. No performance criteria are applied to the exercise of sharesave options.

The options were valued using the binomial option-pricing model. The fair value per option granted and the assumptions used in the calculation are as follows:

Grant date	Shares under option	Share price at grant date	Exercise price	Contract date	Expected volatility	Option life (years)	Risk free rate	Dividend yield	Employee turnover before vesting	Fair value per option
13.04.22	135,276	174p	143p	01.06.22	58%	3	1.5%	3.3%	10%	70p
14.04.23	776,489	174p	137p	01.06.23	54%	3	3.6%	4.5%	10%	67p
12.04.24	852,013	244p	201p	01.06.24	30%	3	4.2%	4.5%	10%	61p
03.04.25	939,331	341p	296p	01.06.25	31%	3	3.8%	4.1%	10%	83p

The expected volatility is based on historical volatility in the movement in the share price over the past three years up to the date of grant (or since incorporation of the Company in January 2020). The expected life is the average expected period to exercise. The risk free-rate is the yield on zero-coupon UK Government bonds of a term consistent with the assumed option life. A reconciliation of savings related share awards over the year to 30 June 2025 is shown below:

	2025		2024	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Outstanding at 1 July	2,806,642	158p	3,481,546	127p
Awards	951,335	296p	936,197	201p
Forfeited	(123,330)	170p	(148,347)	129p
Cancelled	(66,407)	178p	(128,780)	135p
Expired	(8,788)	132p	(10,382)	115p
Exercised	(856,343)	135p	(1,323,592)	112p
Outstanding at 30 June	2,703,109	213p	2,806,642	158p
Exercisable at 30 June	134,149	143.9	221,765	112p

The weighted average fair value of awards granted during the year was 83p (2024: 61p). There were 856,343 share options exercised during the year ended 30 June 2025 (2024: 1,323,592) and the weighted average exercise price at the date of exercise was 135p (2024: 112p). The weighted average remaining contractual life is 2 years and nil months (2024: 1 year and 10 months).

Performance-related long-term incentive plans

The Group operates performance-related share incentive plans for Executives, details of which are set out in the Directors' Remuneration report. The awards that vest are satisfied by the transfer of shares for no consideration. The outstanding options were valued using a Black-Scholes model. The fair value per option granted and the assumptions used in the calculation are as follows:

Grant date	Shares under option	Share price at grant date	Vesting period/option life (months)	Risk-free rate	Dividend yield	Fair value per option
23.09.22	1,369,284	161p	36	4.0%	5.0%	139p
23.09.23	987,710	225p	36	4.3%	4.7%	195p
08.10.24	1,040,245	322p	36	3.9%	4.8%	279p

25 Share-based payments continued

The expected volatility is based on historical volatility in the movement in the share price of the Company and its comparator group and the correlations between them over the past three years. The expected life is the average expected period to exercise. The risk free rate is the yield on zero-coupon UK Government bonds of a term consistent with the assumed option life. A reconciliation of performance-related share awards over the year to 30 June is shown below:

	2025 Number	2024 Number
Outstanding at 1 July	3,533,585	6,466,295
Granted	1,040,245	1,244,171
Exercised	(1,037,753)	(3,156,934)
Forfeited	(138,838)	(1,019,947)
Outstanding at 30 June	3,397,239	3,533,585
Exercisable at 30 June	-	-

The weighted average fair value of awards granted during the year was 279p (2024: 195p). There were 1,037,753 options exercised during the year ended 30 June 2025 (2024: 3,156,934). The weighted average remaining contractual life is one year and two months (2024: one year and two months).

Annual bonus plan – deferred shares

Executive directors are eligible to participate in the Company's annual bonus scheme. The scheme rules dictate that two thirds of any bonus earned in excess of 50% of the base annual salary is deferred into restricted shares for three years. Participants must remain in employment to receive the restricted shares, but there are no other associated performance conditions.

A reconciliation of performance-related share awards over the year to 30 June is shown below:

	2025 Number	2024 Number
Outstanding at 1 July	725,969	821,646
Granted	159,345	126,350
Exercised	(291,518)	(52,969)
Forfeited	-	(169,058)
Outstanding at 30 June	593,796	725,969
Exercisable at 30 June	-	-

The weighted average remaining contractual life is one year and nil months (2024: one year and nil months). The fair value of the awards is the closing share price on the date of grant.

Long term bonus plan – deferred shares

Certain members of the Group are eligible to participate in the Company's long term bonus plan. The scheme rules dictate that up to half of the bonus earned is awarded in restricted shares. The shares are restricted for a period of twelve months. Participants must remain in employment to receive the restricted shares, but there are no other associated performance conditions.

A reconciliation of performance-related share awards over the year to 30 June is shown below:

	2025 Number	2024 Number
Outstanding at 1 July	129,136	-
Granted	159,526	129,136
Exercised	(123,453)	-
Forfeited	(5,683)	-
Outstanding at 30 June	159,526	129,136
Exercisable at 30 June	-	-

The weighted average remaining contractual life is three months (2024: three months). The fair value of the awards is the closing share price on the date of grant.

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26 Other reserves and retained earnings

Group	Notes	Other reserves £m	Retained earnings restated (note 34) £m
At 1 July 2023		135.3	(69.1)
Profit for the year – restated		–	27.4
Dividends paid	9	–	(24.2)
Share-based payments	25	–	1.8
Tax relating to share based payments		–	2.0
Movement in fair value of PPP and other investments	16	–	(1.5)
Purchase of own shares		–	(12.0)
Cancellation of shares		1.1	–
At 30 June 2024 – restated		136.4	(75.6)
Profit for the year		–	33.6
Dividends paid	9	–	(17.5)
Share-based payments	25	–	3.4
Tax relating to share based payments		–	2.0
Movement in fair value of PPP and other investments	16	–	(1.9)
Purchase of own shares		–	(12.3)
Cancellation of shares		1.3	–
At 30 June 2025		137.7	(68.3)

The Company and Group's other reserves relate to a merger reserve amounting to £132.2m (2024: £132.2m) and a capital redemption reserve of £5.5m (2024: £4.2m).

The purchase of own shares represents shares purchased by the Galliford Try Employee Share Trust of £nil (2024: £4.3m) and other share related transactions of £2.3m (2024: £3.3m), in addition to £10.0m (2024: £4.4m) purchased by the Company as part of the share buybacks announced in September 2022 (buyback completed on 17 November 2023) and October 2024 (buyback completed on 21 May 2025).

Company	Notes	Other reserves £m	Retained earnings £m
At 30 June 2023		135.3	115.0
Profit for the year		–	23.3
Dividends paid	9	–	(24.2)
Share-based payments		–	0.7
Purchase of shares	15	–	(4.4)
Cancellation of shares		1.1	–
At 30 June 2024		136.4	110.4
Profit for the year		–	30.1
Dividends paid	9	–	(17.5)
Share-based payments		–	0.5
Purchase of shares	15	–	(10.0)
Cancellation of shares		1.3	–
At 30 June 2025		137.7	113.5

The cumulative amount of goodwill arising on acquisition and written off directly against reserves is 9.5m (2024: £9.5m).

26 Other reserves and retained earnings continued

At 30 June 2025, the Galliford Try Employee Share Trust (the Trust) held 3,066,609 (2024: 3,824,949) Galliford Try Holdings plc shares. The nominal value of the shares held is £1.5m (2024: £1.9m). No shares were acquired during the year (2024: 1,807,000 at a net cost of £4.3m) and a further £2.3m (2024: £3.3m) was paid in relation to other share related transactions with 694,382 (2024: 1,497,612) shares were transferred during the year. The cost of funding and administering the Trust is charged to the income statement in the period to which it relates. The market value of the shares at 30 June 2025 was £12.9m (2024: £9.1m). No shareholders (2024: none) have waived their rights to dividends.

As part of and as a result of the disposal of the housebuilding operations to Vistry Group plc on 3 January 2020 and the associated scheme of arrangement completed under Part 26 of the Companies Act 2006, shares held in Galliford Try Limited (formerly Galliford Try plc) as at 3 January 2020 (221,603) were exchanged for an equivalent number of shares in Galliford Try Holdings plc and 127,189 shares in Vistry Group plc (at a rate of 0.57406 Vistry Group plc shares for each Galliford Try Limited share). During the year to 30 June 2024, the Group disposed of the remaining 14,132 shares in Vistry Group plc (the shares were recorded at fair value with the movement being reflected in profit or loss).

27 Financial and capital commitments

The Group had no commitments for subordinated debt to joint ventures or other investments at 30 June 2025 (2024: £nil), nor any commitment for other capital expenditure.

28 Guarantees and contingent liabilities

The Group has surety bonding facilities and bank guarantees. These are supported by counter indemnities given by the Company and certain subsidiaries in the Group in the normal course of business. Utilisation of the bonding and guarantee facilities total £154.9m at 30 June 2025 (2024: £182.1m). It is not expected that any material liabilities will arise.

Disputes arise in the normal course of business, some of which lead to litigation or arbitration procedures. While the outcome of disputes and arbitration is never certain, the directors believe that the resolution of all existing actions will not have a material adverse effect on the Group's financial position.

Where the Group has received such claims, the directors have made provision in the financial statements when they believe it is probable a liability exists and it can be reliably estimated, but no provision has been made where the Group's liability is considered only possible or remote. This is based on the best estimates of future costs to be incurred after assessing all relevant information and taking legal advice where appropriate.

The Group has currently assessed a pool of non-fire safety related claims that meet the contingent liability threshold for disclosure. These claims are of a similar nature with a collective range of between £nil and £12.0m (2024: £nil and £8.6m). The Group's assessment of liability and estimates of future costs could change in the future. Although the Group has appropriate insurance arrangements in place that should mitigate any significant exposure, the recognition thresholds under IAS 37 would mean a liability could be recognised before a corresponding asset.

The continuing evolution of Government legislation and guidance, such as the Building Safety Act and its implications for cladding solutions used on historical contracts, also creates ongoing uncertainty that the Group manages.

The Group is tracking a pool of three fire safety claims which meet the definition of contingent liabilities under IAS37. Management do not consider it is practicable to value the pool because of the lack of supporting evidence from the claimants and the length of time it takes for these cases to evolve and for any reliable quantum, if any, to be established. Factors include the complexity of the building projects in question, the many suppliers involved in the supply chain and the potential for reimbursement from subcontractors. The Group believes it has strong legal positions with contractual support on all the cases, however, at this time, it cannot fully rule out that material settlements may result, should this be the case, management expects there will be recovery from the supply chain, designers or insurers that can be full or partial.

As Government legislation and guidance changes in the future, the Group will reassess the estimates made accordingly.

Notes to the financial statements

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29 Related party transactions

Transactions between the Group and its related parties are disclosed as follows:

Group

	Sales to related parties		Amounts owed by related parties	
	2025 £m	2024 £m	2025 £m	2024 £m
Trading transactions				
Related parties	69.4	79.3	39.4	35.1
			Interest and dividend income from related parties	
			2025 £m	2024 £m
Non-trading transactions				
Related parties			4.0	3.8

Sales to related parties (all of which are to joint ventures and associates) are based on terms that would be available to unrelated third parties. Amounts owed by related parties consist predominantly of subordinated debt within the PPP and Other Investments portfolio, that if held to maturity would be due over the next 23 years (2024: 24 years). These receivables are unsecured, with interest rates varying between a range of 9% and 12% (2024: 9% and 12%). Payables are due within one year (2024: one year) and are interest free.

Company

Transactions between the Company and its subsidiaries which are related parties, which are eliminated on consolidation, are disclosed as follows:

	Interest and dividend income from related parties	
	2025 £m	2024 £m
Non-trading transactions		
Subsidiary undertakings	29.8	22.9

The Company has provided performance guarantees in respect of certain operational contracts entered into between joint ventures and a Group undertaking.

30 Business combinations

During the year to 30 June 2024, the Group acquired 100% of the share capital AVRS Systems Limited. The Group also finalised the acquisition accounting of MCS Control Systems Limited and certain contracts and assets of Ham Baker Limited (in administration) having previously reported the balances as provisional in accordance with IFRS 3.

AVRS Systems Limited

On 8 November 2023, the Group acquired 100% of the share capital of AVRS Systems Limited ("AVRS"), a leading mechanical and electrical engineering specialist for £4.5m settled in cash. The addition of AVRS's capabilities is complementary to the operations of Galliford Try's expanding Environment asset optimisation and capital maintenance business in line with the Groups strategy. In particular, AVRS provides additional competencies that complement those acquired with nmc's Water business, Lintott Control Systems Limited, MCS Control Systems Limited and the capital maintenance business of Ham Baker.

The goodwill of £0.9m arising from the acquisition is significantly attributable to the acquired workforce and their technical expertise and the opportunity to leverage this expertise across the Group to enhance the asset optimisation and capital maintenance strategy.

30 Business combinations continued

The following table summarises the consideration paid and the fair value of the assets acquired and liabilities assumed.

	£m
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property plant and equipment (including right-of-use assets)	1.0
Intangible assets	1.0
Trade and other receivables	2.5
Cash and cash equivalents	1.0
Trade and other payables	(0.9)
Corporation tax liability	(0.3)
Lease liabilities	(0.5)
Deferred tax liability	(0.2)
Total identifiable net liabilities	3.6
Goodwill	0.9
Total	4.5
Consideration	
Cash	4.5
Total	4.5

As part of the conditions of the sale and in addition to the initial consideration of £4.5m, an earn out arrangement is in place, whereby the sellers are entitled up to an additional £2.5m. Due to the nature of the earn out, this will be treated as remuneration as it requires the sellers to remain in employment during the earn out period of two years. The earn out accrued during the year is £0.8m (2024: £0.6m).

The acquisition contributed £9.5m of revenue and a profit before tax of £0.4m in the period to 30 June 2024. If the acquisition had taken place at 1 July 2023, it would have contributed £13.2m of revenue and a profit before tax of £1.1m.

31 Events after the reporting date

On 17 September 2025, the Group announced a further share buyback programme of up to a maximum of £10m, details can be found in the announcement on the Group's investor website.

There were no other material post balance sheet events arising after the reporting date.

32 Adjusted performance measures

Throughout the Annual Report and Accounts, the Group has presented financial performance measures which are used to manage the Group's performance. These financial performance measures are chosen to provide a balanced view of the Group's operations and are considered useful to investors as they provide relevant information on the Group's performance. They are also aligned to measures used internally to assess business performance in the Group's budgeting process and when determining compensation. An explanation of the Group's financial performance measures and appropriate reconciliations to its statutory measures are provided below.

Providing clarity on the Group's adjusted performance measures

The Group has included this note and the enclosed explanations and reconciliations with the aim of providing transparency and clarity on the measures adopted internally to assess performance. The APMs adopted by the Group are also commonly used in the sectors it operates in. This additional information is not defined under international accounting standards and may therefore not be comparable with similarly titled profit measures reported by other companies. It is not intended to be a substitute for, or superior to, international accounting standards measures of profit.

The Board believes that disclosing these performance measures enhances investors' ability to evaluate and assess the underlying financial performance of the Group's operations and the related key business drivers.

32 Adjusted performance measures continued

Measuring the Group's performance

The following measures are referred to in this report:

Statutory measures

Statutory measures are derived from the Group's reported financial statements, which are prepared in accordance with UK adopted International Accounting Standards and in line with the Group's accounting policies, that can be found in note 1.

The Group's statutory measures take into account all of the factors, including exceptional items which are not considered to reflect the ongoing underlying performance of the Group.

Adjusted performance measures

In assessing its performance, the Group has adopted certain non-statutory measures that reflect the underlying performance of the Group. These typically cannot be directly extracted from its financial statements but are reconciled to statutory measures below:

a) Adjusted performance

The Group adjusts for certain significant irregular (exceptional) items which the Board believes assist in understanding the performance achieved by the Group as this reflects the underlying and ongoing performance of the business. A reconciliation of the statutory measure to the adjusted measure is provided in the following tables. Previously, the Group had referred to pre-exceptional performance which excluded the impact of exceptional items only. The exclusion of exceptional items as well as the amortisation of acquired intangibles seeks to reflect the underlying and ongoing performance of the business with a consistent methodology across all the adjusted performance measures. The adjusting items and associated tax impacts that the Group has recognised are shown below.

	2025 £m	2024 Restated (note 34) £m
Contract losses ¹	–	(11.7)
Implementation costs of cloud based arrangements ²	–	(2.6)
Finance income ³	–	0.8
Amortisation of acquired intangible assets	(0.9)	(2.3)
Loss before tax	(0.9)	(15.8)
Associated tax credit on items above	0.2	3.9
Exceptional income tax credit (note 8) ³	–	9.6
Total	(0.7)	(2.3)

1 Management have classified material losses of £11.7m arising on specific batches of contracts under one framework agreement, acquired in the nmcn water division acquisition in FY2022, as an exceptional item in the 2024 results. The Group considers the impact to be exceptional given its nature (relating to acquired contracts) and quantum (being material), and therefore should be separately disclosed.

2 The Group incurred £2.6m of customisation and configuration costs in the year to 30 June 2024 associated with the move to Oracle Fusion, a cloud-based computing arrangement, during the year. Taking into account the IFRIC Agenda Decision issued by the IFRS IC in March 2021, the Group has analysed the costs and concluded that these costs should be expensed in the period. In accordance with the Group's existing accounting policy, management considers that the costs should be separately disclosed as exceptional items because they are significant and irregular. The move to Oracle Fusion is now complete with no further exceptional items expected.

3 The Group previously disclosed that it had not recognised an asset in respect of historic trading losses due to the losses being subject to agreement with HMRC. This led to an uncertain tax position where no asset was recognised as, based on the advice of tax advisors, the group concluded it was not probable HMRC would accept the claims to utilise the losses. During the year to 30 June 2024 HMRC agreed a quantum of historic trading losses available and that they could be utilized against historical trading profits, resulting in a cash tax refund of £9.6m with associated interest of £0.8m, which was received after 30 June 2024. Management considers that the refund should be disclosed separately as exceptional given it is material in quantum and one off in nature.

A reconciliation of the statutory measure to the adjusted measure is provided in the following tables.

32 Adjusted performance measures continued

b) Adjusted operating profit/(loss) and operating margin

The Group presents operating profit excluding exceptional items and the amortisation of acquired intangible assets as this reflects the ongoing performance of the business, which is referred to as adjusted operating profit/(loss). Operating margin reflects the ratio of adjusted operating profit/(loss) and revenue. This differs from the statutory measure of operating profit which includes exceptional items and the amortisation of acquired intangible assets. Divisional adjusted operating margin is the combined adjusted operating margin of the Building and Infrastructure segments.

A reconciliation of the statutory measure to the Group's performance measure is shown below, based on continuing operations:

	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Year ended 30 June 2025					
Statutory operating profit/(loss)	28.1	26.5	(0.4)	(14.5)	39.7
exclude: amortisation of acquired intangible assets (note 11)	-	0.9	-	-	0.9
exclude: exceptional items (note 4)	-	-	-	-	-
Adjusted operating profit/(loss)	28.1	27.4	(0.4)	(14.5)	40.6
Revenue	964.7	902.5	8.0	-	1,875.2
Adjusted operating margin	2.9%	3.0%	n/a	n/a	2.2%
Year ended 30 June 2024					
Statutory operating profit/(loss) – restated (note 34)	23.0	7.3	(1.0)	(16.3)	13.0
exclude: amortisation of acquired intangible assets (note 11)	1.0	1.1	-	0.2	2.3
exclude: exceptional items (note 4) – restated (note 34)	-	11.7	-	2.6	14.3
Adjusted operating profit/(loss)	24.0	20.1	(1.0)	(13.5)	29.6
Revenue – restated (note 34)	938.3	810.7	14.7	-	1,763.7
Revenue on material loss making contracts	-	18.6	-	-	18.6
Adjusted revenue	938.3	792.1	14.7	-	1,745.1
Adjusted operating margin	2.6%	2.5%	n/a	n/a	1.7%

c) Adjusted profit before tax

The Group uses a profit before tax measure which excludes exceptional items and amortisation of acquired intangible assets as noted above, whereas the statutory measure includes both. Since the prior year, management have changed the definition of adjusted profit before tax by excluding the amortisation of acquired intangible assets to align with the measurement of adjusted operating profit with the same rationale.

A reconciliation of the statutory measure to the Group's performance measure is shown below, based on continuing operations:

	2025 £m	2024 ¹ Restated (note 34) £m
Statutory profit before tax	44.1	19.2
exclude: exceptional items (note 4)	-	13.5
exclude: amortisation of acquired intangible assets	0.9	2.3
Adjusted profit before tax	45.0	35.0

1 The Group previously disclosed pre-exceptional profit before tax. The adjusted profit before tax measure now also excludes the amortisation of acquired intangible assets.

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32 Adjusted performance measures continued

d) Adjusted earnings per share

In line with the Group's measurement of adjusted performance, the Group also presents its earnings per share on the same adjusted basis as adjusted profit before tax. This differs from the statutory measure of earnings per share which includes both exceptional items and amortisation of acquired intangible assets. Since the prior year, management has changed the definition of adjusted earnings per share by excluding the amortisation of acquired intangible assets to align with the measurement of adjusted operating profit with the same rationale.

A reconciliation of the statutory measure to the Group's performance measure (post-tax) is shown below, based on continuing operations:

	2025			2024 Restated (note 34)		
	Earnings £m	Weighted average number of shares	EPS pence	Earnings £m	Weighted average number of shares	EPS pence
Statutory results	33.6	99,627,362	33.7	27.4	100,051,095	27.3
exclude: exceptional items (note 4)	–	n/a	n/a	0.5	n/a	n/a
exclude: amortisation of acquired intangible assets	0.7	n/a	n/a	1.7	n/a	n/a
Adjusted earnings per share¹	34.3	99,627,362	34.4	29.6	100,051,095	29.6

1 Adjusted earnings per share for 2024 was previously reported as 27.9p. The change reflects the adjusted profit measure excluding the amortisation of acquired intangible assets, which previously were included.

33 Group undertakings

In accordance with section 409 of the Companies Act, the following is a list of all of the Group's undertakings as at 30 June 2025. Galliford Try Limited is the only subsidiary undertaking held directly by the Company.

(i) Subsidiary undertakings

Entity name	Registered office or principal place of business	Shareholding (direct or indirect)
Charles Grip Surfacing Limited	Miller House, Pontefract Road, Normanton, WF6 1RN	100%
Construction Holdco 1 Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Asset Intelligence Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Building 2014 Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	100%
Galliford Try Construction Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Construction & Investments Holdings Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Corporate Holdings Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	100%
Galliford Try Employment Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Estates Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Facilities Management Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try HPS Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Infrastructure Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	100%
Galliford Try Investments Consultancy Services Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Investments Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Investments NEPS Limited ¹	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Plant Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Properties Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Construction Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%

33 Group undertakings continued

Entity name	Registered office or principal place of business	Shareholding (direct or indirect)
Galliford Try Secretariat Services Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Services Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Digital Infrastructure Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try (Water) Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
GT (Leeds) Lift Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
GT (Leicester) Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
GT (North Hub) Investments Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	100%
GT (North Tyneside) Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
GT Camberwell (Holdings) Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
GT Camberwell Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
GT Car Parks Leicester (Holdings) Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
GT Car Parks Leicester Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Galliford Try Developments Limited ²	3 Frayswater Place, Uxbridge, UB8 2AD	100%
GT Inverness Investments Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	100%
GT Telford Holdings ³	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	100%
GT TMGL Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	100%
GT FM (Cavalry) Limited ⁴	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Ham Baker Engineering Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Kingseat Development 1 Limited	Morrison House, Kingseat Business Park, Kingseat, Newmachar, Aberdeenshire, AB21 0AZ	100%
Leicester GT Education Company Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Lintott Control Systems Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Lintott Environmental Technologies Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
MCS Control Systems Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
AVRS Systems Limited	Avrs Systems Ltd Lonning End, Ponsonby, Seascale, Cumbria, England, CA20 1BU	100%
Morrison Construction Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	100%
Morrison Highway Maintenance ³	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Oak Specialist Services Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Regeneco (Services) Limited ³	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Regeneco Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%
Try Construction Limited	3 Frayswater Place, Uxbridge, UB8 2AD	100%

1 Dissolved 15 July 2025.

2 Previously GT Guildford Crescent Limited, name changed 10 September 2025.

3 Dissolved 1 July 2025.

4 Dissolved 9 September 2025.

All subsidiary undertakings are incorporated in the UK unless otherwise specified and are included in the consolidated financial statements of the Group, as a majority of voting rights are held in each case.

Notes to the financial statements

continued

33 Group undertakings continued

(ii) Joint venture undertakings

Entity name	Registered office or principal place of business	Proportion of capital held	Financial year-end
Aberdeen Roads (Finance) PLC	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	33%	31-Dec
Aberdeen Roads Holdings Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	33%	31-Dec
Aberdeen Roads Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	33%	31-Dec
ACP: North Hub Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%	31-Dec
GBV JV Limited	3 Frayswater Place, Uxbridge, UB8 2AD	50%	30-Jun
GT Equitix Inverness Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%	31-Mar
GT Equitix Inverness Holdings Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%	31-Mar
Hub South East Scotland Limited	8 Melville Street, Edinburgh, EH3 7NS	50%	31-Mar
Kingseat Development 2 Limited	Morrison House, Kingseat Business Park, Kingseat, Newmachar, Aberdeenshire AB21 0AZ	50%	30-Jun
Space Scotland Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	83% ¹	31-Mar
Urban Vision Partnership Limited	First Floor, 2 Kingdom Street, Paddington, London, W2 6BD	30%	31-Dec

The above entities are all incorporated in the UK and considered to be joint ventures, based on the shareholding agreements in place.

1 Treated as a joint venture as indicated by its joint venture agreement.

(iii) Associated and other significant undertakings

Entity name	Registered office or principal place of business	Proportion of capital held by class
Aberdeen Community Health Care Village Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	30%
Alliance Community Partnership Limited	Avondale House Suites 1b-1e, Phoenix Crescent, Strathclyde Business Park, Bellshill, North Lanarkshire, Scotland, ML4 3NJ	10%
Galliford Try Qatar LLC	PO Box 11726 Doha, State of Qatar (incorporated in Qatar)	49%
Hub North Scotland (Alford) Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	30%
Hub North Scotland (FWT) Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	30%
Hub North Scotland (O&C) Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	30%
Hub North Scotland (O&C) Holdings Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	30%
Hub North Scotland Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	30%
James Gillespie's Campus Subhub Holdings Limited	8 Melville Street, Edinburgh, EH3 7NS	50%
James Gillespie's Campus Subhub Limited	8 Melville Street, Edinburgh, EH3 7NS	50%
LBP DBFM Holdco Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
LBP DBFMco Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
Newbattle DBFM HoldCo Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
Newbattle DBFMCo Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
ELCH DBFMCo Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
ELCH DBFM Holdco Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
WCHS DBFMCo Ltd	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
WCHS DBFM Holdco Ltd	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
JICC DBFMCo Ltd	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%

33 Group undertakings continued

Entity name	Registered office or principal place of business	Proportion of capital held by class
JICC DBFM Holdco Ltd	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
KHS DBFM HoldCo Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
KHS DBFMCo Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
QHS DBFMCo Ltd	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
QHS DBFM Holdco Ltd	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
REH Phase 1 Subhub Holdings Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
REH Phase 1 Subhub Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	50%
Hub North Scotland (I&F) Holdings Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	30%
Hub North Scotland (I&F) Limited	2nd Floor, 2 Lochside View, Edinburgh, Scotland, EH12 9DH	30%
Hub South West Scotland Limited	2 Atlantic Square, 31 York Street, Glasgow, Scotland G2 8AS	6%
Hub SW Cumbernauld DBFMCo Limited	Avondale House Suites 1b-1e, Phoenix Crescent, Strathclyde Business Park, Bellshill, North Lanarkshire, Scotland, ML4 3NJ	6%
Hub SW Cumbernauld Holdco Limited	Avondale House Suites 1b-1e, Phoenix Crescent, Strathclyde Business Park, Bellshill, North Lanarkshire, Scotland, ML4 3NJ	6%

The above entities are all incorporated in the UK except Galliford Try Qatar LLC, which is incorporated in Qatar.

Entities listed above with 50% ownership percentage are treated as associates, as indicated by their ownership agreements.

Notes to the financial statements

continued

34 Prior year restatement

A non-cash prior year restatement has been recorded following a correction to the Group's application of IFRS15 contract combination accounting.

Under its existing IFRS15 accounting policy, the Group had incorrectly combined contracts on a small percentage of framework agreements and as a result, the Group has restated its financial statements, reducing revenue and increasing cost of sales in 2024 with an aggregate impact to reported profit before tax of £11.7m with associated tax and working capital corrections. No restatements were required to be made to the balance sheet at 1 July 2023. The full impact of the restatement is shown in the following tables.

There is no impact on the Company.

Consolidated income statement

	2024		2024
	Previously reported £m	Adjustment £m	Restated £m
Revenue	1,772.8	(9.1)	1,763.7
Cost of sales	(1,641.4)	(2.6)	(1,644.0)
Gross profit	131.4	(11.7)	119.7
Administrative expenses	(106.7)	-	(106.7)
Operating profit	24.7	(11.7)	13.0
Finance income	9.6	-	9.6
Finance costs	(3.4)	-	(3.4)
Profit before income tax	30.9	(11.7)	19.2
Income tax credit	5.3	2.9	8.2
Profit for the year	36.2	(8.8)	27.4
Earnings per share			
Basic			
Profit attributable to ordinary shareholders	36.2p		27.3p
Diluted			
Profit attributable to ordinary shareholders	34.7p		26.2p

34 Prior year restatement continued

Consolidated statement of comprehensive income

The total comprehensive income for the year to 30 June 2024 is restated to £25.9m from £34.7m as a result of the changes noted above.

Consolidated balance sheet

	2024		2024
	Previously reported £m	Adjustment £m	Restated £m
Assets			
Non-current assets			
Deferred income tax assets	15.0	2.9	17.9
Other non-current assets	196.4	–	196.4
Total non-current assets	211.4	2.9	214.3
Current assets			
Trade and other receivables	370.8	0.4	371.2
Other current assets	238.6	–	238.6
Total current assets	609.4	0.4	609.8
Total assets	820.8	3.3	824.1
Liabilities			
Current liabilities			
Trade and other payables	(609.2)	(12.1)	(621.3)
Other current liabilities	(56.7)	–	(56.7)
Total current liabilities	(665.9)	(12.1)	(678.0)
Non-current liabilities			
Total non-current liabilities	(32.5)	–	(32.5)
Total liabilities	(698.4)	(12.1)	(710.5)
Net assets	122.4	(8.8)	113.6
Equity			
Share capital	52.0	–	52.0
Share premium	0.8	–	0.8
Other reserves	136.4	–	136.4
Retained earnings	(66.8)	(8.8)	(75.6)
Total equity	122.4	(8.8)	113.6

The 2023 balance sheet has not been presented as there is no impact to the net assets, with only an increase to both the contract assets and contract liabilities of £5.4m which is not deemed to be material.

Notes to the financial statements

continued

34 Prior year restatement continued

Consolidated statement of changes in equity

As a result of the change to the total comprehensive income for the year to 30 June 2024, the retained earnings and total shareholders' equity is restated in line with the changes noted in the balance sheet above.

Consolidated statement of cash flows

	2024		2024
	Previously reported £m	Adjustment £m	Restated £m
Cash flows from operating activities			
Profit for the year	36.2	(8.8)	27.4
Adjustments for:			
Income tax credit	(5.3)	(2.9)	(8.2)
Net finance income	(6.2)	–	(6.2)
Profit before finance costs and taxation	24.7	(11.7)	13.0
Depreciation, amortisation and impairment of non-current assets	20.7	–	20.7
Share-based payments	1.8	–	1.8
Other non-cash movements	(0.4)	–	(0.4)
Net cash generated from operations before changes in working capital	46.8	(11.7)	35.1
Increase in trade and other receivables	(84.1)	(0.4)	(84.5)
Increase in trade and other payables	84.9	12.1	97.0
Increase in provisions	6.3	–	6.3
Net cash generated from operations	53.9	–	53.9
Net cash generated from operating activities	56.2	–	56.2
Net increase/(decrease) in cash and cash equivalents	6.8	–	6.8

The are no changes to the investing and financing activities, or the opening and closing cash and cash equivalents balances previously reported.

Segmental results

The impact of the restatement to 2024 impacts the infrastructure segment only.

Trade and other receivables

	Previously reported £m	Adjustment £m	Restated £m
Current assets:			
Contract assets	290.1	0.4	290.5
Other trade and other receivables	80.7	–	80.7
	370.8	0.4	371.2

Trade and other payables

	Previously reported £m	Adjustment £m	Restated £m
Contract liabilities	121.8	9.5	131.3
Accruals	307.0	2.6	309.6
Other trade and other payables	180.4	–	180.4
	609.2	12.1	621.3

Five-year record (unaudited)

	2021 £m	2022 £m	2023 £m	2024 restated (note 34) £m	2025 £m
Continuing operations					
Revenue	1,124.8	1,237.2	1,393.7	1,763.7	1,875.2
Adjusted Profit before taxation	12.4	20.6	22.4	35.0	45.0
Profit before taxation	11.4	5.4	10.1	19.2	44.1
Tax (expense)/credit	(1.0)	0.9	(1.0)	8.2	(10.5)
Profit after taxation attributable to shareholders	10.4	6.3	9.1	27.4	33.6
Fixed assets (including IFRS 16 right-of-use assets), investments in joint ventures, PPP and other investments	73.2	79.4	90.4	98.5	95.7
Intangible assets and goodwill	82.9	97.0	98.3	97.9	97.0
Net current liabilities	(24.4)	(43.4)	(61.4)	(68.2)	(50.5)
Other long-term assets	14.3	14.0	15.5	17.9	11.0
Long-term payables and provisions	(11.9)	(14.9)	(24.2)	(32.5)	(31.1)
Net assets	134.1	132.1	118.6	113.6	122.1
Share capital	55.5	55.5	52.4	52.0	51.1
Share premium	–	–	–	0.8	1.6
Reserves	78.6	76.6	66.2	60.8	69.4
Shareholders' funds	134.1	132.1	118.6	113.6	122.1
Dividends per share (pence)	4.7	8.0	22.5	15.5	19.0
Basic earnings per share (pence)	9.5	5.8	8.7	27.3	33.7
Adjusted earnings per share (pence)	10.2	17.1	18.0	29.6	34.4
Diluted earnings per share (pence)	9.1	5.5	8.1	26.2	32.2

The results for 2021, 2022 and 2023 are presented on an adjusted basis in line with the results of 2024 and 2025.

Shareholder information

Financial calendar 2025

Half year results announced	5 March
Full year results announced	17 September
Ex dividend date – final dividend	6 November
Final dividend record date	7 November
Annual General Meeting	13 November
Final dividend payment	5 December

Shareholder enquiries

The Company's registrars are Equiniti Limited. They will be pleased to deal with any questions regarding your shareholding or dividend payments. Please notify them if you change your address or other personal information. Call the shareholder contact centre on 0371 384 2202. Lines open from 8.30am to 5.30pm, Monday to Friday. Alternatively, write to them at:

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

You can find a number of shareholder services online via their website at www.shareview.co.uk, including the portfolio service which gives you access to more information on your investments such as balance movements, indicative share prices and information on recent dividends. You can also register your email address to receive shareholder information and Annual Report and Accounts electronically.

Share dealing service

A telephone and internet dealing service is available through Equiniti which provides a simple way of buying and selling Galliford Try shares. Commission is currently 1.5% with a minimum charge of £60 for telephone dealing and a minimum charge of £45 for internet dealing. For telephone sales call 0345 603 7037 between 8.00am and 4.30pm, Monday to Friday, and for internet sales log on to www.shareview.co.uk/dealing. You will need your shareholder reference number as shown on your share certificate. Share dealing services are also widely provided by other organisations. The Company is listed on the London Stock Exchange under the code GFRD and the SEDOL and ISIN references are BKY40Q3 and GB00BKY40Q38.

Group website

You can find out more about the Group on our website www.gallifordtry.co.uk which includes a section specifically prepared for investors. In this section you can check the Company's share price, find the latest Company news, look at the financial reports and presentations as well as search frequently asked questions and answers on shareholding matters. There is also further advice for shareholders regarding unsolicited boiler room frauds.

Company contact

Contact with existing and prospective shareholders is welcomed by the Company. If you have any questions please contact the General Counsel & Company Secretary, either at the registered office or via email (kevin.corbett@gallifordtry.co.uk).

Analysis of shareholdings at 30 June 2025

Size of shareholding	% of holders	Number of holders	% of shares	Number of shares
1–10,000	91.99%	2,823	3.01%	3,069,708
10,001–50,000	3.58%	110	2.61%	2,663,478
50,001–500,000	3.13%	96	16.45%	16,798,088
500,001 – highest	1.30%	40	77.93%	79,609,994
Total	100.00%	3,069	100.00%	102,141,268

Registered office

Galliford Try Holdings plc
Blake House
3 Frayswater Place
Cowley
Uxbridge
Middlesex
UB8 2AD

Stockbrokers

Peel Hunt LLP
Panmure Liberum Limited

Bankers

Barclays Bank PLC
HSBC Bank PLC
Lloyds Banking Group plc
National Bank of Kuwait

Registration

England and Wales 12216008

Independent auditor

BDO LLP



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