Barratt Redrow

BARRATT HOMES

DAVID WILSON HOMES
WHERE QUALITY LIVES

REDROW

Annual Report and Accounts 2025

Inside this report

Strategic Report

Governance

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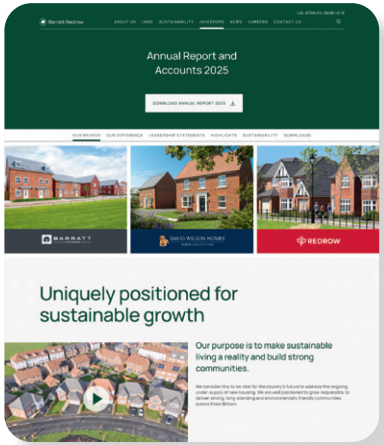


Annual Report and Accounts 2025

Uniquely positioned for sustainable growth

Our purpose is to make sustainable living a reality and build strong communities.

Financial Statements

Alternative performance measures

In addition to the Group using a variety of statutory performance measures it also measures performance using alternative performance measures (APMs). Definitions of the APMs and reconciliations to the equivalent statutory measures are detailed on pages 226 to 230. The definition of net cash is included in note 18 to the Financial Statements.

How to use this report

→ Read more

Discover online

Front cover: Barratt Homes at Pinewood Park, David Wilson Homes in Ersham Park and Redrow's Woodford Garden Village.

Who we are

Our purpose

Making sustainable living a reality, building strong communities.

Our strategic priorities

Read more on pages 29 to 39

1 Delivering a best-in-class customer offering

2 Driving operational efficiency through differentiated brands

3 Using capital effectively to drive growth

4 Leading the industry in sustainability

Our values

Read more on page 95

- We do it for our customers
- We do it right
- We do it together
- We make it happen

Our sustainability framework

Read more on page 40

- Nature
- Places
- People

What makes us different

Customer focus

Read more on page 4

Three leading brands

Read more on page 5

Partner of choice

Read more on page 6

Diverse land channels

Read more on page 7

Financial strength

Read more on page 8

Business summary continued

A strong foundation

The combination of Barratt, David Wilson and Redrow has strengthened our position as the UK's leading national sustainable housebuilder for build quality and customer service.

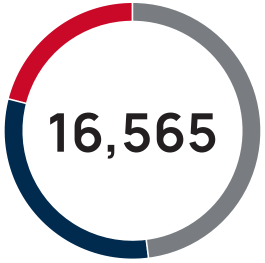
Our housebuilding brands

Our enabling brands

Completions by customer type

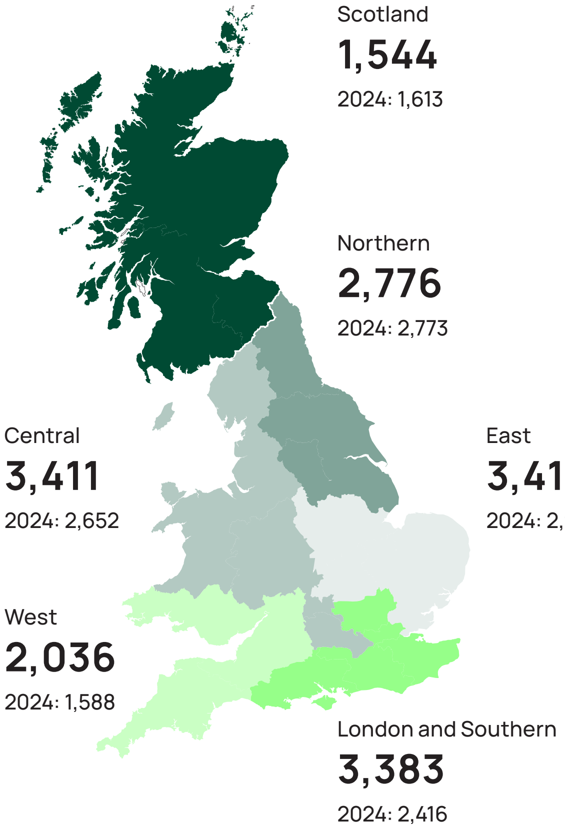
🟩 Traditional private	63%
▨ Part exchange	11%
🟩 PRS & Multi-Unit sales	8%
🟩 Affordable	18%

Completions by brand



▨ Barratt Homes	48%
🟦 David Wilson	31%
🟥 Redrow	21%

Completions by region



Awards and recognition in 2025

5 Star customer satisfaction

115 NHBC Pride in the Job awards, more than any other housebuilder for 21 consecutive years

Supplier engagement leader in Climate

Climate – A
Water – B
Forests – B

Gold Award achieved for the 11th consecutive year

Uniquely positioned for sustainable growth

Our purpose is to make sustainable living a reality and build strong communities. We consider this to be vital for the country's future to address the ongoing under-supply of new housing. We are well positioned to grow responsibly to deliver strong, long-standing and environmentally friendly communities across Great Britain.

What makes us different

Customer focus

Our achievements in service and build quality are unparalleled, providing an experience and product that put the customer first.

Read more on page 4

Three leading brands

Through our brands we can cater to a wider range of customers, access larger developments, and reduce time on site to complete developments more efficiently.

Read more on page 5

Partner of choice

Strong communities require strong relationships. Our close ties with partners across the value chain ensure delivery for all stakeholders.

Read more on page 6

Diverse land channels

We have cultivated multiple, innovative land channels, unlocking new development opportunities on greenfield and brownfield land in communities that need them.

Read more on page 7

Financial strength

Our size and robust balance sheet give us the capability to invest in growth whilst continuing to deliver shareholder returns.

Read more on page 8

↓

Sustainable growth towards 22,000 total home completions in the medium term

Read more on pages 9 to 11

What makes us different continued

Customer focus

Our unwavering commitment to our customers underpins our reputation and is why independent benchmarks continue to recognise our quality, service and customer satisfaction.

HBF 5 Star rating

5 Star

For 16 consecutive years over 90% of our customers have said they'd recommend us to family and friends in the HBF's customer satisfaction survey, an unparalleled achievement in the industry.

NHBC Pride in the Job

115

Our site managers have won more NHBC Pride in the Job awards than any other housebuilder – the 21st consecutive year they have achieved this feat.

Lifestyle range

Our lifestyle range is a selection of three-bedroom Redrow house types which provide increased bedroom space and adaptability. Based on house types from the main Heritage collection, these homes have three bedrooms on the footprint of four-bedroom homes, each with an en suite.

These homes are hugely popular with downsizers seeking greater space to enjoy within their home whilst providing space for family and friends to stay. Downsizers Katrina and Tony, who moved into a lifestyle home at our Woodford Garden Village development said: "We saw the houses and we fell in love with them...When we've got family round there's plenty of space."

To hear more from our customers visit: Barratt Redrow: Customer stories

Image: Katrina and Tony in their new home in Woodford Garden Village.

What makes us different continued

Our three differentiated brands

Careful deployment of our brands allows us to reach more potential customers across a wide selection of house types.

BARRATT HOMES

First-time buyers and young families

Barratt Homes provides homes at excellent value that maximise space, ideal for those entering the housing market for the first-time and young families.

8,008
total home completions

£2.3bn
revenue

Image: Barratt Homes at Rogerson Gardens in Preston.

DAVID WILSON HOMES
WHERE QUALITY LIVES

Mover-uppers and growing families

David Wilson Homes, with its larger properties and high-quality fixtures and fittings, is well suited to those looking to make their next move up the housing ladder, or those with growing families.

5,037
total home completions

£1.8bn
revenue

Image: David Wilson Homes at Rose Place in Shrewsbury.

REDROW

Premium purchasers and downsizers

Redrow offers a premium product with distinctive arts and crafts architecture and a wide range of choices and optional extras. It has great appeal to those looking for an executive home, or those downsizing.

3,520
total home completions[1]

£1.5bn
revenue

Image: Redrow homes at Allerton Gardens in Liverpool.

[1] Completions in the period since acquisition at 21 August.

The benefits of multi-branding

Access to a wider customer base

Having more differentiated brands and a wider product range on our sites attracts a larger audience of potential homebuyers to our developments.

Viability of larger sites unlocked

The ability to accelerate both the build and sales processes increases the viability of larger sites by compensating for the increased upfront investment required.

Time on site greatly reduced

Our experience shows that building multiple brands simultaneously quickens the sell through of homes, greatly reducing the overall time and associated overheads needed on the site, benefiting both capital and operating efficiency.

Improved ROCE

The combination of improved capital and operational efficiency improves ROCE and accelerates cash generation.

For more information on the benefits of multi-branding visit: Barratt Redrow: The benefits of multiple brands

What makes us different continued

Partner of choice

Our strong relationships throughout the value chain give us insight, flexibility and resilience, supporting our long-term growth.

The West London Partnership

The West London Partnership is Transport for London's largest partnership to date through its property arm Places for London. Through it we plan to deliver over 4,000 homes over the next decade. The Bollo Lane development is the first project to be announced by the partnership.

Benefits for Barratt Redrow

Transport for London is one of the capital's largest landowners. The partnership gives us access to underutilised land, such as the Bollo Lane development, and the opportunity to work with a partner who also places high importance on sustainability.

Benefits for our customers

Bollo Lane will deliver c. 50% affordable housing as well as two on-site gardens and highly efficient buildings will generate lower energy bills for residents. The wider community will benefit from the creation of a new public square and community garden on land that was previously inaccessible to the public.

To watch our partner of choice film visit: Barratt Redrow: Partner of Choice

RSPB

Barratt has been engaged in partnership with the RSPB since 2014. The advice and expertise provided by the RSPB ensure that developments incorporate as many biodiverse features as possible, and it will be supporting us in the development of new Species Enhancement Plans from summer 2025.

Benefits for Barratt Redrow

By partnering with the RSPB we can gain expert knowledge, helping us to progress our on-site biodiversity targets and providing innovation opportunities for both parties.

Benefits for our customers

The advice gained through our collaboration helps to produce better developments for both wildlife and people. Together, we also provide customers with tips, advice and expert guides to help them create gardens that they and local wildlife can enjoy.

75%

of consumers feel it is important to consider nature access when purchasing a home

Source: Independent research commissioned by Barratt Redrow and conducted by Savanta, February 2025, with 2,348 in-market consumers.

MADE Partnership

The MADE Partnership is a joint venture between Barratt Redrow, Homes England and Lloyds Banking Group. MADE is a uniquely positioned master developer and aims to create the best new places and towns where people will aspire to live. This means thoughtful placemaking and plenty of public and green spaces, alongside community infrastructure. It will use its distinct offer, expertise and funding to enable new towns and support local authorities with large-scale development of thousands of homes over the coming decades.

Each partner brings its own skills and expertise. Barratt Redrow brings experience and capabilities in land assembly, placemaking and project development; Lloyds Banking Group has a long-standing and comprehensive commitment to help deliver the country's housing need both as a provider of capital and an investor in the private rental sector; and Homes England has the ability to harness Government agencies to help align interests, unlock potential obstacles and drive development.

The partnership won "Deal of the Year (up to £200m)" at the 2025 RESI Awards, with the judges commenting that: "This unique collaboration combines expertise in housebuilding, financing and Government policy to unlock and accelerate complex residential projects, potentially revolutionising master development."

Image: A CGI representation of one of our first confirmed sites via the MADE Partnership, Godley Green in Greater Manchester.

What makes us different continued

Diverse land channels

Our multiple land acquisition channels allow us to select the best opportunities in the market.

Image: An open sales centre on strategically sourced land in Glenvale Park, Northampton.

Current land bank

Our target land bank length is 3.5 years on a trailing basis, with a further 1 year of controlled land. Our current land bank size, totalling 108,655 plots at 29 June 2025, is sufficient to support growth to 22,000 total home completions in the medium term. As such, we can maintain our disciplined approach to selective land buying in the open market, whilst utilising our additional land channels, to unlock and acquire high-quality sites that will complement our existing land bank over the coming years.

Strategic land

We have, over many years, developed a substantial strategic land bank which stands at 145,043 potential plots. We are optimistic about the Government's proposed planning reforms which would give us a significantly enhanced opportunity to bring forward strategic sites into the planning system.

Land bank plots at 29 June 2025

■ Owned and controlled land bank plots

108,655

🟩 Strategic land bank plots

145,043

Image: Clockmakers site in Whitchurch, purchased by David Wilson using Gladman expertise.

Gladman

Gladman is the country's largest land promotion business, with a controlled portfolio of 113,940 potential plots. Gladman operates at arm's length from the Barratt Redrow homebuilding operations and provides sites with planning permission to both Barratt Redrow and the wider housebuilding industry. In FY25 Gladman sold 3,755 plots on behalf of its landowner partners, of which 268 were secured by Barratt Redrow, following a competitive tender. As a result of the Government's planning reforms, Gladman has increased the number of promotional sites being submitted into the planning system, in order to deliver a growing portfolio of current land plots for sale. Gladman is able to offer their expertise to assist Barratt Redrow to identify freehold strategic land for purchase.

What makes us different continued

Financial strength

Our financial strength allows us to invest in growth and deliver strong returns to shareholders through every stage of the cycle.

Medium-term financial priorities

Our strong balance sheet gives us the foundation to invest, grow and generate attractive returns through the following medium-term financial priorities:

Synergy delivery

The acquisition of Redrow has provided the opportunity for cost and revenue synergies. In FY25, our cost synergies target was increased from £90m to £100m, with £20m of cost synergies delivered in FY25 profits with a further benefit of c. £45m expected in FY26.

Revenue synergies reflect the creation of 45 incremental sales outlets through FY28, of which 5 have already achieved planning consent at the year end, accelerating sales, unlocking margin improvement and improving our land bank efficiency and asset turn.

Sustainable growth

Our 32 homebuilding divisions have the capacity and capabilities to deliver 22,000 total home completions in the medium term.

Driving volume recovery will improve fixed cost efficiency, supporting improvement in profitability and cash generation, thereby enhancing our financial strength. Our commitment to industry leadership in both build quality and customer service will remain steadfast.

Margin improvement

Our gross margin has been affected in recent years by the sharp increase in build costs, lower home completion volumes and increased sales incentives. However, disciplined land buying, stable build costs, accelerating home completion volumes and synergy delivery will help us to improve our gross margin to 20% or more in the medium term.

Capital allocation priorities

We have three main capital allocation priorities: maintaining a strong balance sheet; investing to both improve and grow our business; and delivering attractive shareholder returns.

A strong balance sheet gives us the foundation to invest, grow and generate attractive returns. Our aim is to hold net average cash throughout the year, make use of land creditors and be mindful of other medium-term financial commitments.

Investing to improve and grow our business includes our ongoing commitment to maintain our land bank at a level to support our goal to deliver 22,000 total home completions in the medium term, as well as other initiatives centred on improving security of supply and innovation for our business over the long term.

Finally, our commitment to delivering attractive shareholder returns remains unchanged. We are continually reviewing the most appropriate way to do this and consulting our shareholders in the process. In February 2025 we announced that, from FY26, we will commence a share buyback programme under which the intention is to buyback at least £100m annually in addition to a revised annual dividend based on adjusted earnings, before adjustments to present acquired Redrow assets and liabilities at their fair value, at 2.0 times dividend cover. Of the share buyback programme, a £50m first tranche was executed in the second half of FY25.

Ongoing share buyback programme of at least

£100m

per annum

→ Read more about shareholder returns on page 145

Image: David Thomas speaking at a Company event.

Sustainable growth plan

Growth is important to us but maintaining our high quality and customer service standards is key. Volume growth will come from organic growth through the opening of multi-branded sites to leverage our three differentiated brands. We will utilise our high-quality land bank to deliver c. 500 outlets in the medium term.

Redrow integration

The integration of Redrow into the business is progressing well. We have completed our office network rationalisation, with six divisional offices now closed and three are in the process of closing, with our 32 remaining divisions capable of delivering 22,000 homes per annum. A collective consultation process was completed across head office functions in summer 2025.

The process of aligning IT systems has also begun. The initial pilot completed in July 2025 and the programme to align remaining divisions is expected to complete by the end of FY26.

The 45 identified revenue synergy sales outlets are also progressing well, with planning submitted on 16 incremental outlets at the year end. These developments were originally intended to be single or dual-branded sales outlets but, following the acquisition, will now be dual or triple branded, adding the Redrow brand onto Barratt Homes and David Wilson Homes sites, and vice versa.

Cost synergies achieved in the financial year to 29 June 2025 were £20m, ahead of the £10m forecast at the time of completing the transaction. Confirmed cost synergies at the year end stood at £69m, comfortably on track to meet our £100m target.

Medium-term growth plan

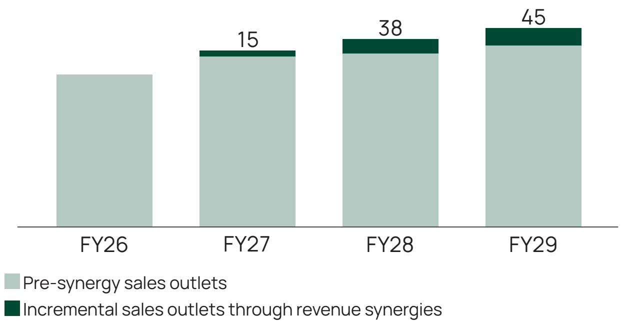
Our medium-term goal is to deliver 22,000 total home completions a year. To do this, we plan to increase our outlets from 407 in FY25 to between 475 and 525 in the medium term. The 45 revenue synergy sales outlets will help us to achieve our targets.

We are not anticipating any material improvement in market conditions, and we are assuming our sales rate stays largely unchanged on that reported in FY25. The planning reforms announced by Government should allow new land opportunities to flow through the system more predictably, with fewer unnecessary delays and greater visibility once the reforms scheduled for enactment in autumn 2025 come into force.

We are extremely proud of our service and quality credentials, and it is imperative to us that these are maintained as we grow our business (see page 2).

We're confident in our ability to deliver our medium-term growth targets and the level of annual growth this requires. We have the divisional infrastructure in place and, based on the planning reforms progressing through Parliament, are confident in our ability to deliver our medium-term growth targets.

Sales outlet evolution FY26-FY29



Margin enhancement

We are committed to growing our volumes, whilst continuing to improve our gross margin over the medium term.

Our gross margin has been markedly impacted in recent years by build cost inflation of around 35% since 2020, volume decline reflecting the changed affordability backdrop, and the increased use of sales incentives to help support our volumes. Our current embedded land bank gross margin stands at 19.2%. As we work through the land bank and replace plots developed with more recently purchased land, as well as accelerating volume growth and unlocking synergies, we expect to see gross margin rise to over 20% in the medium term.

Our current land acquisition hurdle rate is 23% gross margin and once cost synergies have been unlocked, particularly those in relation to procurement, with a direct impact on our build costs, this hurdle rate will increase to 24%. This will ensure we capture, and then continue to benefit from, the synergies delivered by the acquisition.

We also hold a significant strategic land bank which we will increasingly draw upon as the planning system improves and as we increase our home completion volumes. When we agree an option contract on a strategic land development, a discount to market value is typically agreed with the landowner. This discount to market value creates a reduced land bank plot cost, which enhances the gross margin on outlets sourced in this way.

Sustainable growth plan continued

Lead the industry in sustainability

Our sustainability framework (page 40) ensures that sustainability remains a key part of our growth plan. Through it we generate long-term sustainable benefits for the business and wider society.

We are responding to the UK's housing shortage, developing high-quality and sustainable homes and communities that deliver a better quality of life. Over 99% of our homes are A or B rated for energy efficiency meaning running costs are more affordable, and we deliver high-quality landscaping and natural spaces within our developments.

This helps support our position as a partner of choice (see page 6) and supports our reputation, trust and engagement with communities, landowners and planning teams.

We integrate climate resilience and energy efficiency into our homes, reducing carbon emissions and safeguarding against future risks. Innovation helps us future proof our homes against a changing climate, keeping us ahead of regulatory changes and customer expectations and opening up growth opportunities.

We have a track record of delivering cost reductions on site by driving down operational waste. We reduced construction waste per 100m^2 of housebuild equivalent area by 44.7% from FY20 to FY24, and will apply the learnings from this to reduce waste across the newly combined group as our output grows.

We are committed to sharing innovation and research outcomes, data and best practice. Our concept homes, most recently, Zed House and Energy House 2.0, have created a blueprint for the sector on how to build the zero carbon, energy and water efficient homes that the country needs. It is crucial that we take our suppliers along with us: we have been awarded leadership status in the CDP Climate Supplier Engagement assessment for building capabilities with our supply chain partners.

As we work towards meeting critical net zero targets, it is vital that we do this is in a fair and transparent way. We are working with our partners to ensure workers in our supply chain are treated fairly (find out more on page 46) and we are providing relevant training and career pathways both within and into our business (see page 43).

Image: David Wilson Homes Pastures Place development in Lincolnshire.

Free energy homes

We have teamed up with British Gas to deliver homes with free energy on our David Wilson Homes Pastures Place development in Lincolnshire.

The trial will see ten homeowners pay no energy bills on their homes for two years in return for sharing data on the use of their home and its eco-technology. The data from the trial homes will be analysed by the partners, as well as scientists at the University of Salford, which is renowned for its expertise in researching low carbon homes.

We will also be able to share the data with leading surveyors and mortgage lenders to help them understand the impact on valuation and the link to green mortgages that better reflect the higher disposable income that homeowners might have from living in a more energy-efficient home.

The homes' eco technology is provided by Hive - the UK's largest eco-tech brand. Hive's Intelligent Energy Management uses software to control smart devices that are connected to the grid. This will optimise customers' air source heat pumps, maximum-fit solar panels and batteries, smart sensors and lights. It can help to ensure more of a home's energy needs are met from the energy generated from a home or help to use more energy when the grid is quieter and can deliver greener and cheaper energy.

If the trial is successful, it could mark the start of a wider roll-out at a time when energy bills are on average higher than they have historically been.

If a home generates more electricity than a consumer uses, they can, after the two-year trial, sell the extra energy through the Smart Export Guarantee (SEG). Customers will continue to see low bills, with those generating more electricity than they use, achieving zero bills or earning money.

Our path to net zero

The creation of Barratt Redrow brings together two industry leaders with long-established track records and a shared commitment to decarbonisation.

Both Barratt Developments and Redrow had science-based net zero targets validated in 2024. Now that the businesses have integrated, these individual targets are no longer relevant, but provide a strong foundation.

We are in the process of developing a new target to achieve net zero for the combined business. Realising this ambition requires a robust and actionable strategy that spans our operations and value chain. However, progress is also dependent on external enablers such as regulatory clarity, a net zero-ready workforce, resilient supply chains and technological innovation.

Progress since FY21

95%
of electricity on REGO-backed renewable tariffs in FY25

39%
of site diesel substituted with HVO in FY25

88%
of car fleet is EV or plug-in hybrid as at 29 June

10%
of homes with air source heat pumps in FY25

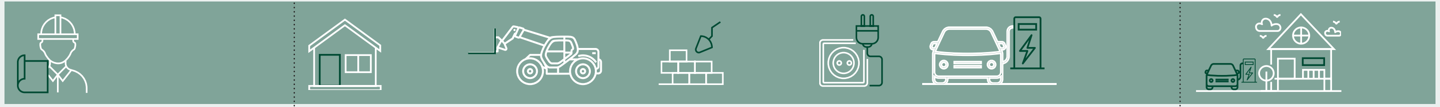
98%
of telehandlers have the most efficient engines available as at 29 June

31%
of homes completed using modern methods of construction in FY25

51%
reduction in scope 1 and 2 emissions since 2021

How we will decarbonise our value chain

We have undertaken a detailed assessment of our total value chain footprint, gaining an understanding of which elements contribute most over time. The principal decarbonisation levers that we consider having the most material impact on our transition to achieve net zero across our operations and value chain are:



Supply chain, raw materials and site preparation

Reducing emissions from groundworks

Reducing embodied carbon in building materials

Direct operations

Increased timber frame and offsite construction

Site hybrid generators

Efficient show home and plot heating

Reducing emissions from premises and facilities

Decarbonised site machinery

Eliminating or replacing diesel on site

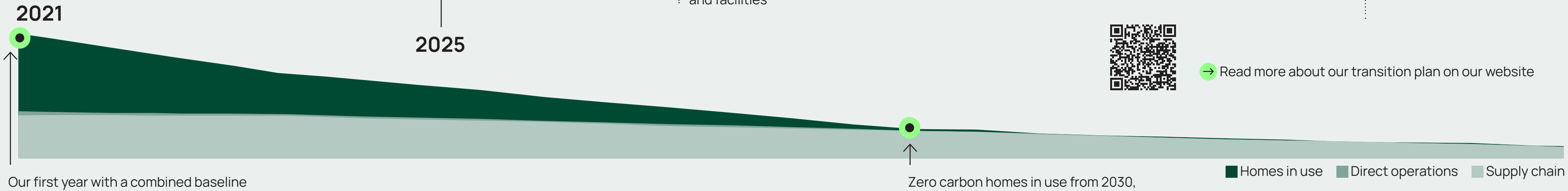
Early site grid connections

Migration of our fleet to electric (cars and vans)

Homes in use

Government and regulation – Future Homes Standard building techniques

Zero carbon homes (regulated energy) from 2030



Our first year with a combined baseline

Zero carbon homes in use from 2030, subject to Future Homes Standard implementation and grid decarbonisation

→ Read more about our transition plan on our website

Establishing the foundations for growth

Introduction

This year has been an important and exciting one in our history. In August 2024 we acquired Redrow plc and received CMA clearance in October 2024, allowing us to begin the integration process. For colleagues across both businesses this brought opportunities and some understandable uncertainty as we have worked to combine the two businesses. I have been impressed by the adaptability and resilience shown by our people in navigating the changes to the business created by the combination, whilst ensuring that we continue to deliver the quality and service our customers expect, alongside driving a solid financial performance. At our capital markets event in February, we brought together Barratt Redrow's management team, sell-side analysts and other key stakeholders to set out what differentiates us from our competitors, our key strengths as a combined business and our ambitions for the medium term.

In FY25 we also saw a new Government elected with a specific focus on driving economic growth through reform of the planning system and tackling the UK's housing crisis. Whilst the Government's supply-side policy changes have been broadly positive, they will take time to make a practical difference. The overall business environment has not seen the stability or support needed to underpin investment and growth, and consumer confidence and home buying demand have remained subdued, hampering the industry's ability to increase volumes. In addition, there are increasing regulatory and procedural burdens that too often cause delays and increase costs. Nonetheless, we will continue to do what we can to work with the Government to improve conditions for homebuyers and home builders so that we can build the homes the country needs and drive increased economic growth.

Our performance

Despite being a year of much change, combined with a continued challenging market backdrop, we have once again produced a solid financial performance and our teams have ensured that we continue to lead the industry on build quality, customer service and sustainability, as demonstrated by accreditation from our customers and independent third parties.

Over the past 12 months:

- We were awarded the Home Builders Federation (HBF) 5-star status for the 16th year in a row, the only national housebuilder to have achieved this record;
- Our site managers secured 115 NHBC Pride in the Job awards, again more than any other housebuilder, for a record 21st year; and
- We retained our position as the only UK housebuilder on the CDP Climate Change A List for Leadership.

The operational side of our business continues to deliver industry-leading performance reflecting management's focus on getting things right for our customers, partners, employees and stakeholders. This is not restricted to current customers but also governs our approach to legacy issues, where our Building Safety Unit is dedicated to identifying safety-related remediation that is needed at historic developments and then designing and delivering solutions for residents and leaseholders. While it will take some time to complete our work in this area, at Barratt Redrow doing the right thing is non-negotiable and we remain committed to our building safety obligations.

Redrow integration

Combining two large businesses is not without its challenges, but colleagues across Barratt Redrow have engaged positively in the process, resulting in significant progress on the integration of Redrow and in unlocking the synergies we had identified

To position the business for further profitable growth, we had to make some difficult decisions around our divisional structure. As planned when the deal was announced, six divisional offices have been closed and three are in the process of closing and our Group support functions are now being combined. I would like to thank all our colleagues for their continued professionalism through this period and for their continued support over the coming 12-18 months.

As well as divisional office closures and restructuring of our Group support functions, procurement savings and de-duplication of overheads have also contributed to confirmed cost synergies of £69m at the end of the financial year, well on the way to our ultimate cost synergies target which we increased from £90m to at least £100m at the time of our half-year results.

Good progress is also being made on revenue synergies, with 16 planning applications submitted in respect of the 45 identified incremental sales outlets and five approvals received as at the 29 June 2025.

Positioned for growth

The combination of our financial strength, land portfolio and brand offering differentiates Barratt Redrow and puts us in a strong position to deliver future growth. We held net cash of £772.6m at our financial year end, we secure attractive land opportunities through our market leading position across diversified land channels, and we build and sell our homes through three high-quality, differentiated brands covering the majority of the market. This sits alongside our newly formed divisional network. Collectively this places Barratt Redrow in a very strong position to grow towards our medium-term target of 22,000 total home completions a year.

Chair's Statement continued

UK Competition and Markets Authority (CMA) investigation

In July 2025 we announced that we, along with six other UK housebuilders, have offered voluntary commitments to the CMA as part of its ongoing investigation into the housebuilding sector, with a view to resolving the investigation expeditiously.

The offer of voluntary commitments does not constitute an admission of any wrongdoing by us and nothing in the commitments may be construed as implying that we agree with any concerns expressed by the CMA during its investigation.

The proposed commitments include the seven housebuilders making a collective payment of £100m to the Government to be disbursed to the affordable homes programmes in England, Scotland, Wales and Northern Ireland. Our share of the payment (which is for both Barratt and Redrow businesses combined as Barratt Redrow plc) is expected to be £29m.

We welcomed the CMA's consultation on the voluntary commitments, which concluded at the end of July 2025, and will continue to work constructively with the CMA throughout the process.

Shareholder returns

The Board declared an interim dividend for FY25 of 5.5 pence per share (FY24: interim dividend of 4.4 pence per share) and is pleased to recommend a final FY25 dividend of 12.1 pence per share (FY24: final dividend of 11.8 pence per share) in line with our dividend policy of 1.75 times adjusted earnings per share. Subject to shareholder approval, the final dividend will be paid on 14 November 2025 to shareholders on the register at the close of business on 10 October 2025. The total proposed dividend for FY25, including the interim dividend, is 17.6 pence per share (FY24: 16.2 pence per share).

The Board regularly reviews its approach to capital allocation. As such, in February we announced a change to our shareholder returns policy, introducing a share buyback programme with the intention of buying back at least £100m of shares annually from FY26. As part of that programme, an initial £50m tranche was executed in the second half of FY25. In addition, our dividend policy will move from 1.75 times to 2.0 times adjusted earnings per share dividend cover (calculated before purchase price allocation accounting charges). The Board believes this capital allocation policy will deliver an attractive dividend and allow the Group to balance investment in sustaining and growing the Group with enhancing future shareholder returns through a predictable but also scalable buyback programme, dependent on market conditions and opportunities.

The Board believes that the combined dividend and share buyback commitment represents the right balance of shareholder returns.

Sustainability

We remain the UK's leading national sustainable homebuilder, and we are committed to finding new and innovative ways to improve our developments for nature, communities and our customers. Both the legacy Barratt and Redrow businesses have a strong track record of delivering sustainability initiatives and, separately, each had committed to the Science Based Targets initiative approved targets to achieve net zero. We are working on a revised combined transition plan to ensure that we continue to lead the industry on the journey to net zero.

Board changes

Over the year, we have announced several changes to the composition of the Board and our committees.

We welcomed Nicky Dulieu and Geeta Nanda to the Barratt Redrow Board in October 2024 as Non-Executive Directors, having previously been on the Board of Redrow plc.

In March 2025, we announced that after 47 years of dedicated service, our Chief Operating Officer and Deputy Group Chief Executive Steven Boyes would step down from the Board on 6 September 2025. Steven has made a huge contribution to the business throughout his tenure, is highly respected within the business and across the industry and everyone at Barratt Redrow wishes Steven a long and happy retirement.

After a successful career with Redrow, Matthew Pratt stepped down as Redrow Chief Executive and as a Director of Barratt Redrow with effect from the close of business on 30 June 2025, we wish him well for the future.

With effect from 1 August 2025, we refreshed the composition of the SHE Committee with Nigel Webb taking over from Chris Weston as its Chair and elevated the Sustainability Committee to a Board Committee, appointing Geeta Nanda as its Chair.

After nine years' service, Jock Lennox will be stepping down from the Board on 5 November 2025. Jock has been instrumental in reshaping our approach to risk management, internal controls and assurance, and in steering the Audit and Risk Committee and as Senior Independent Director (SID), the Board through many strategic decisions, most recently the acquisition of Redrow plc. Jasi Halai will take over from Jock as Chair of the Audit and Risk Committee and Nicky Dulieu will become our SID.

Looking ahead

As we move into FY26, affordability, uncertainty in the macroeconomic environment and weak consumer confidence remain challenges. While we have seen some welcome reductions in mortgage rates over the course of the year, the cost of living remains high and affordability remains a key constraint, particularly for first-time buyers. We continue to invest in self-help measures, such as our part-exchange offer and incentives for key workers, to support customers seeking to buy our homes.

We welcomed the Government's Spending Review announcement of a 10-year £39bn new Affordable Homes Programme. This provides a significant step-up in funding and a long-term commitment to the affordable housing sector, which should support improving demand from affordable housing providers for the affordable homes we build throughout the country. However, to drive rapid and sustained private development growth across the housebuilding industry, Government should consider demand-side support for first-time buyers, a feature of the housing market for many decades.

Looking to the future, the absence of first-time buyer support risks the acceleration of ever-increasing inter-generational and social inequality, where parental savings and financial support will increasingly dictate the ability of so many to access the stability and security of home ownership.

On the supply-side, the Government's welcome reforms of the planning system will take time to feed through into practical improvements on the ground. In the meantime, it is vital that Government remains committed to tackling our housing crisis, supporting the industry to build the homes the country needs and focused on creating an environment which encourages the sustained investment in the land, people and materials to do so.

FY25 marked the start of a new chapter in our long history. As Barratt Redrow we are well positioned and ready to focus on what we can control and capitalise on improving market conditions. Our three complementary brands cover a large proportion of the market and will enable us to drive the delivery of increased volumes. The talent in our Company is second to none and I look forward to meeting even more of our colleagues this coming year.

Finally, the Board and I would like to take this opportunity to thank all our colleagues, subcontractors and supply chain partners for their ongoing support and partnership.

Caroline Silver
Chair
16 September 2025

Market backdrop

The underlying need for new housing remains strong, but affordability and consumer confidence remain a challenge. Macroeconomic uncertainty and volatility continue to concern potential customers, particularly with reference to affordability and mortgage rates. The changes the Government is making to the planning system are welcome and needed, but the positive effects of the reforms are taking time to work through the system.

Nonetheless, the underlying demand and need for homes, combined with the positive changes to the planning system that we expect to see come through from FY26, provide a strong platform on which we can grow.

Demand significantly outstrips supply

Landscape

The Organisation for Economic Co-operation and Development (OECD) found that England had a lower number of dwellings per thousand inhabitants than the average of both EU and OECD countries[1]. The Home Builders Federation (HBF) branded England the "most difficult place of all developed nations worldwide to find a new home"[2].

In 2023, Centre for Cities estimated that England needs 442,000 new homes a year for 25 years to catch up with the average European country[3] – far more than the 198,600 net new build additions in the year to 31 March 2024.

Furthermore, the English Housing Survey found in 2023 that 15%[4] of households live in homes that do not meet the Decent Homes Standard, reflecting the age of much of England's housing stock.

Households are also motivated to buy, due to the dramatic increases in average monthly rents seen since mid-2021. According to the Office for National Statistics, average UK monthly private rents in the 12 months to June 2025 were £1,344 - an increase of 29.7% since June 2021 [5]. Meanwhile, Rightmove reported in September 2025 that the average first-time buyer pays £1,064 per month on a five-year fixed rate 85% loan-to-value mortgage over 25 years[6].

Our response

We are acutely aware of the shortage of homes currently affecting the UK, and we are targeting increased growth in the medium term to 22,000 total home completions per year.

We have the right divisional infrastructure to meet our medium-term target and, thanks to our investment in areas such as timber frame production facilities, partnerships throughout our supply chain and a diversified land pipeline, have the means necessary to deliver further growth when the opportunity arises, whilst retaining our reputation for quality and customer service.

→ Read more about our sustainable growth plan on page 9 to 11

Image: Frenchay Park and Frenchay Gardens, a recently completed Redrow development in Bristol.

Marketplace continued

Need for homes across all tenures

Landscape

As of 31 March 2024, there were 1.3m households on local authority housing waiting lists in England[7]. This is the highest level since 2014[7]. In Scotland, 4% of all households were on a housing waiting list in 2023[8]. Data for housing waiting lists in Wales is not published by the Government, but BBC investigations estimated 139,000 people were on the waiting list as of October 2023; this equates to 1 in every 22 people in Wales[9].

Local authority and Registered Provider housing stock has dropped by over 550,000 homes between 1981 and 2023[10]. In that same time period, the population has increased by almost 11m[11].

The shortage means that councils are having to house people in private accommodation. In England this cost at least £1.7bn in 2022–2023 as the number of people living in these arrangements rose to its highest level since records began[12].

Registered Providers have faced funding difficulties in recent years, limiting their ability to buy additional properties, including Section 106 affordable homes. In March 2025 a £2bn injection for social and affordable housing was announced, with a longer-term plan expected to be announced later this year.

The number of private renters has increased dramatically since the turn of the millennium. In 2000 there were 2.1m privately rented dwellings which compares with 4.9m in 2023[13]. In March 2025, Zoopla reported that for each rental property, there are 12 interested renters[14]. While this is considerably better than the levels seen over the prior couple of years, it is still double the level seen before the pandemic[14].

It is clear that homes are needed across all tenures involving investment in affordable homes, the private rental sector and traditional homebuilding for private purchase.

Image: Grange View, Barratt Homes in Hugglescote.

Our response

We build homes across all tenures. The majority of our homes are sold to private owners, but we also build affordable homes for Registered Providers and sell to the private rental sector (PRS).

In FY25, 74% of our home completions were private completions (excluding JVs), 18% were affordable homes delivered to housing associations, 5% were rental units delivered to private rental sector (PRS) providers and 3% were other multi-unit sales.

Through our acquisition of Redrow, our three differentiated brands cover c. 80% of the market.

These factors, along with our nationwide coverage, mean that we are building homes suitable for a larger proportion of the population than any other homebuilder.

Government targeting increased delivery

Landscape

The Labour Government has been very vocal about the housing crisis the UK faces and has a well-publicised target to build 1.5m new homes over this parliament. The Government's desire and commitment to increasing housing delivery are positive and welcome for the industry.

As part of the revised National Planning Policy Framework (NPPF) the Labour Government introduced the concept of "grey belt" land. This is land that sits within the green belt but has previously been developed or does not strongly support the purposes of green belt land. This relaxation of planning on a proportion of green belt land could release significant opportunities to build much needed new homes.

It is likely that any grey belt land released will have a significant affordable housing requirement. The reduced potential revenue from the land would feed through to the land price, meaning it should still be an attractive proposition for developers.

Our response

Our medium-term aim is to increase our home completions to increase our total home completions to 22,000 per year. This is an ambitious target in current market condition, so the Government's focus on increasing housebuilding is welcomed.

However, as a business, we can only build homes as quickly as we can sell. Because of this, we have taken proactive measures to increase our sales and build rates, such as increasing incentives, offering a range of buying schemes to potential customers, acquiring the Redrow brand to broaden our customer base and increasing multi-unit sales.

→ Read more about our different brands on page 5

Marketplace continued

Planning reform set to unlock growth

Landscape

Since its election, the Labour Government has been proactive in seeking reform to the English planning system. Within weeks of the Labour Government taking office in July 2024, a consultation was launched on changes to national planning policy and the government also wrote to the Leaders and Chief Executives of local authorities being clear on the upcoming reforms which included mandatory housing targets, the introduction of a new standard method to calculate them[15], reforms to the way green belt policy is operated, plus the introduction of "grey belt" development.

Housing targets for local authorities will be more robust through the introduction of a new standard method to calculate minimum annual local housing need. This approach sets a baseline need to deliver a 0.8% increase in existing housing stock – which is then multiplied based on the five-year average median workplace-based affordability ratio of the local area. For each 1% the ratio is above 5, the housing stock baseline will be increased by 0.95%. If the ratio is 5 or below, no adjustment is applied.

As seen in the adjacent table, the vast majority of local authorities have affordability ratios greater than 5, meaning most will be required to deliver local plans allocating land to provide an annual housing supply significantly in excess of 0.8% of existing housing stock, totalling up to 370,000 new homes every year.

Whilst the changes in planning policy are expected to ultimately deliver a clear uplift in planning consents, to support housebuilding recovery, there remains reluctance at many local authorities to engage with these policy changes ahead of the legislation coming into effect. As a result, planning consents fell to 221,919 in the year to 30 June 2025, some 33.9% below the mid-2021 peak and some 5.8% below the planning consents granted in the year to 30 June 2024, as can be seen in the chart.

The introduction of the NPPF in March 2012 created a sustained and material improvement in planning consents some 15 months thereafter. If the timeframe taken to crystallise policy change into planning consents across England follows a similar pattern in 2025, a sustained recovery in planning consents should begin during calendar year 2026.

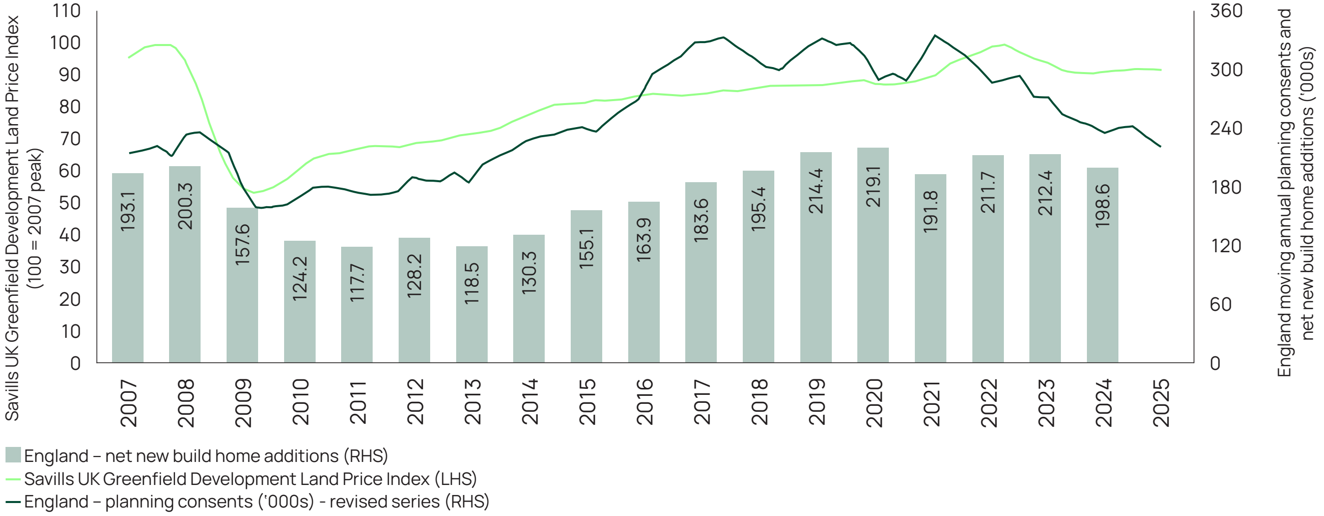
Our response

The Government's planning reforms provide a unique opportunity for us by facilitating strategic land to be brought forward and submitted for planning permission. As of 29 June 2025, Barratt Redrow has 79 planning applications submitted for consideration and Gladman has 41 – significantly higher than our normal operating levels. Our strategic land portfolio is substantial, and the positive planning reforms provide us with the opportunity to bring this land forward, aiding our growth ambitions.

The number of local authority districts in England and Wales and the five-year average ratio of median house price to median gross annual workplace-based earnings (2020-2024)[16]

	The five-year average median house price to median gross annual workplace earnings ratio					
	Up to 5.0x	5.0x to ‹6.0x	6.0x to ‹7.0x	7.0x to ‹8.0x	8.0x to ‹9.0x	From 9.0x and above
Number of local authority districts	19	32	45	34	29	158
Proportion of local authority districts	6%	10%	14%	11%	9%	50%
Cumulative local authority districts	19	51	96	130	159	317

English planning consents and net new build home additions and Savills UK Greenfield Development Land Price Index



Marketplace continued

Affordability remains a key constraint

Landscape

While interest rates have trended down recently, affordability remains materially above the 2010–2020 average, as shown by the Halifax affordability index.

HBF reports that first-time buyers' average price to income ratio in England is ten times, with mortgage payments accounting for 67% of their net salary in 2024, up from 47% in 2004 and 2014[17].

Research from UK Finance also shows the discrepancy between first-time buyers who are given family financial support in raising a deposit and those who are not. It found that in 2024, across the UK, unassisted buyers were over two years older, with higher household incomes, but with almost half the deposit compared with their family assisted counterparts[18].

Unassisted buyers had an average household income of £65,351[18]. With the average household income in the UK standing at £68,866[19], it is clear to see why many first-time buyers are struggling to save a deposit without family assistance.

Currently, there is no demand-side support from the Government for homebuyers. This marks the only period for more than 50 years that there has been no financial support for homebuyers.

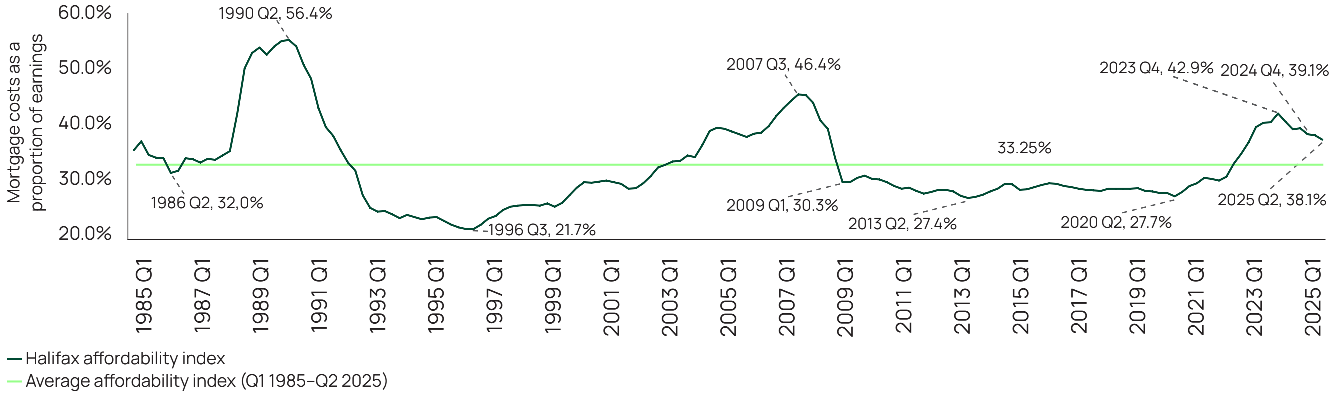
Amongst the negativity, however, mortgage availability remains positive. Competition amongst mortgage lenders has produced more competitive mortgage rates as well as increased mortgage lender innovation. This, combined with expectations that the Bank of England will continue its gradual reduction in the base rate, provides a level of stability and anticipated improvement which is supporting both homebuyer and industry confidence.

Our response

In response to the ongoing affordability difficulties faced by our customers, our sales incentives have remained a key support to many of our customers. Our financial incentives which, depending on development location, house type and customer, can equate to 5% of the purchase price can be used as part of the deposit calculation, helping our customers who are unable to raise a sufficient deposit, and helping other customers secure more favourable mortgage interest rates through lower-loan-to value ratios.

Customers' situations are all unique, which is why we offer a large range of buying schemes and a broad house type range. These suit a wide variety of customers, helping them to purchase their new home.

Halifax affordability index



Future Homes Standard (FHS)

Landscape

In May 2025 the Government confirmed that both the Standard Assessment Procedure (SAP 10.3) and the Home Energy Model will be used to calculate compliance with the FHS as part of a phased transition for new build homes.

This dual-methodology approach provides a transitional period where both systems will be valid for assessing the energy performance of new homes. No additional details have been provided on what the transition timeline between the two methodologies will look like.

Our response

We strive to stay ahead of regulations and ensure we are prepared for a seamless transition to the FHS once in place. As well as our research and innovation activities, Redrow has already moved to adopt air source heat pump installation in many of its homes, a key change which will be required as part of the Future Homes Standard.

Marketplace continued

Materials and labour

Landscape

Recent financial years have seen marked inflation in build costs which have directly impacted profit margins. In FY25, build cost inflation reduced sharply and was broadly flat across the year. We are forecasting limited build cost inflation in FY26 of between 1% and 2%.

In relation to our materials requirements, the second half of FY25 was dominated by concerns around tariffs and trade wars on globally traded goods and materials. This, however, has a limited impact on our build activities with c. 70% of our materials sourced directly from UK operations, using UK-based materials, with a further c. 20% of UK manufactured materials containing components from outside the UK and the remaining c. 10% involving goods imported from Europe and Asia.

Based on government data the building materials costs of building a new home increased only marginally in FY25, following a similar trend to FY24, as can be seen in the chart.

However, labour costs across the industry continued to increase in FY25 as can be seen in the chart on page 19 and included changes in both employers' National Insurance contributions and statutory minimum wages from April 2025.

Our response

Our build cost inflation over the next two to three years will benefit through synergies from the acquisition of Redrow. We are working hard to secure procurement savings which will mitigate our exposure to building materials inflation across the rest of the industry.

Our current estimate of cumulative savings from procurement synergies is £34m. Reflecting the timing impact between the point when material pricing terms are agreed, when materials are supplied and fitted, and then when these costs are later recognised through the profit and loss account on home completions, we continue to expect to crystallise these savings over the period through to October 2027.

→ Read more about synergies on page 35

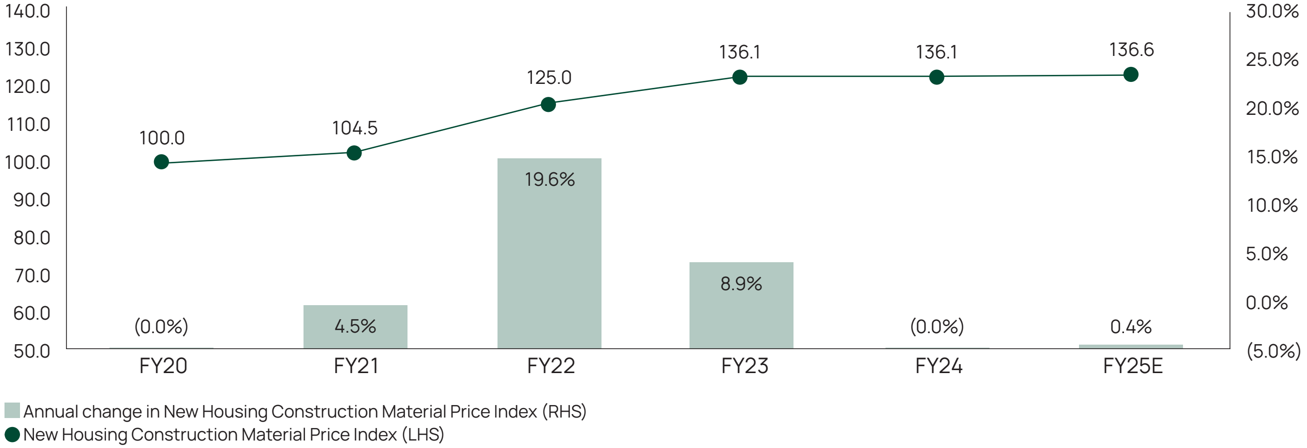
Additionally, we are taking measures to help protect our operations from the long-term challenges of an ageing construction workforce and limited labour availability given the backdrop of expanding future need through both our outreach and promotion of careers in the industry, as well as our adoption of modern methods of construction.

Our investment in timber frame production facilities allows us to significantly reduce our reliance on brick and block laying labour and our exposure to labour cost increases in this area.

We are also trialling a new alternative exterior finish replacing the traditional brick façade at one of our North Midlands sites. This new technology gives the appearance of a traditional brick façade, a design feature often desired by planners and customers alike, but consists of a composite material, manufactured off site which can be rapidly fitted on site delivering an attractive exterior finish with significantly reduced labour costs. Looking to the future we recognise the need to identify and adopt new technologies which can deliver productivity gains and ensure we have the resources and capacity to build the homes the country needs and which the Government is committed to delivering.

Image: Barratt Homes staff on site at Rogerson Gardens in Preston.

Building materials index for housing (data up to January 2025 with ONS publication suspended through to 17 September 2025)[1]



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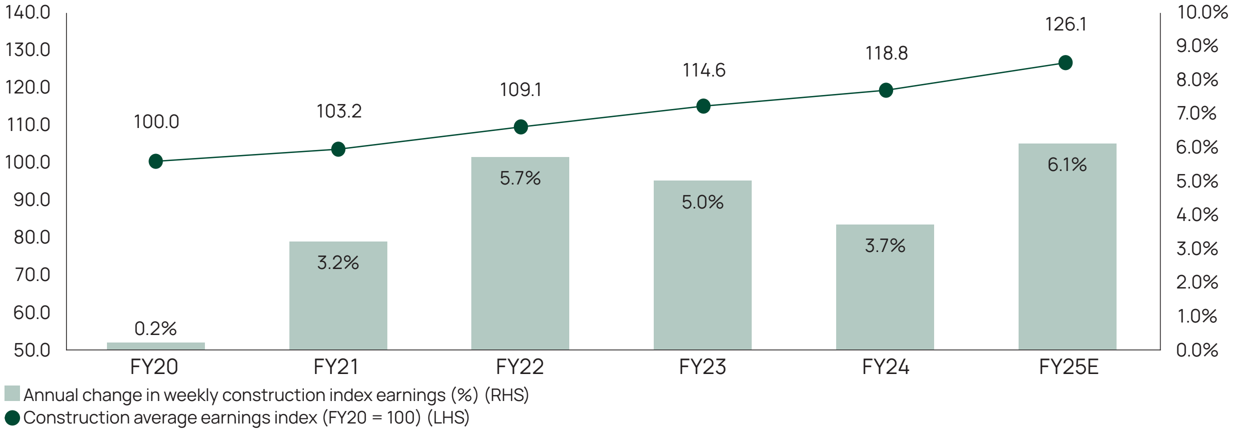
[1] Data release has been suspended from February 2025, as a result the FY25E index value reflects the average from July 2024 to January 2025.

Marketplace continued

Materials and labour continued

Our response continued

Labour costs



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Redrow homes at Alconbury Weald in Cambridgeshire

Unlocking value

Our resources

People

We recruit, train and retain a skilled and committed workforce.

→ See pages 42 to 46

We also encourage a supportive culture in which our people can thrive and promote our collective values.

→ See page 95 to 97

Expertise

The acquisition of Redrow has brought together two organisations with over 50 and 65 years' pedigree respectively in providing homes across Great Britain.

Brands

Now supplemented by Redrow, our portfolio of complementary brands means we have a home to provide the perfect setting for all stages of life.

Offering multi-brand developments, we can accelerate delivery of high-quality homes.

→ See page 5

Stakeholder relationships

You can only build strong communities if you engage everyone with an interest in those communities.

We foster lasting relationships with our stakeholders so that we are able to develop the homes our customers want and the country needs.

→ See pages 51 to 58

Land and planning

We operate a short owned land bank, minimising the amount of capital locked in advance of land development.

This is complemented by investment in strategic land and promotion agreements to enhance margin.

Operational scale

The acquisition of Redrow has consolidated the strength of the two businesses. Our financial stability and national presence create opportunities in our operations and relationships.

→ See pages 59 to 65

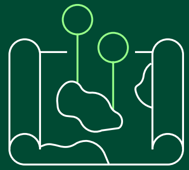
What we do

Finance and capital allocation

Balanced land strategy, blending shorter-term plots with longer-term strategic land. Our financial strength allows us to respond flexibly to market changes, respond to investment opportunities and support our growth ambitions.

Link to strategic priorities

3

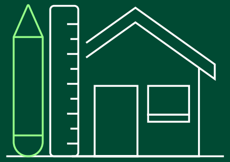


Land acquisition and planning

Diverse land channels and industry-leading credentials create unique land opportunities. We plan sites that serve the needs of a wide range of customers and other community stakeholders.

Link to strategic priorities

3 4



Design and house development

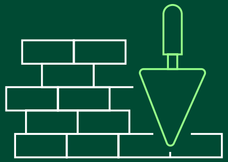
Designs informed by insight. By using buyer data to tailor layouts, embed sustainability features and integrate smart technology, we provide homes that customers want that can be delivered through efficient builds.

Link to strategic priorities

1 2 4

→ See pages 29 to 39

What we do continued



Construction and operations

Building smarter whilst maintaining quality. We're investing in modern methods of construction, including timber frame and pre-fabricated components, to increase productivity, shorten build times and mitigate labour and environmental challenges.

Link to strategic priorities

2 4

Sales and customer engagement

Our industry-leading customer service throughout the sales process creates a great customer experience. Our differentiated brands provide wide customer choice and increase the sell through of sites.

Link to strategic priorities

1 2

Post-completion and customer lifetime value

Long-term customer satisfaction. Energy-efficient homes reduce long-term costs, a key differentiator in a value conscious market. Our build quality ensures that customers enjoy their new homes long after the site is completed.

Link to strategic priorities

1 4

The outcome for stakeholders

Customers

For 16 consecutive years over 90% of our customers have said they'd recommend us to family and friends in the HBF's customer satisfaction survey, an unparalleled achievement in the industry.

HBF 5 Star customer service for 16 consecutive years

We build high-quality homes that optimise internal space, deliver excellent energy and water efficiency and, as a result, unlock lower lifetime costs for our customers.

99% of homes built to EPC A and B standard in FY25

Shareholders

Our strong underlying financial performance will be supported by the synergy savings from the combination of Barratt and Redrow.

£488.3m adjusted profit before tax for FY25

We continue to deliver capital returns, with dividends totalling £1.3bn paid since 2021, and a new programme of share buybacks returning £50m in 2025.

£1.5bn returns to shareholders in past five years, including dividends and share buybacks

Employees and suppliers

Through both direct employment and the supply chain we support, we generate quality employment across Great Britain.

67,850 direct, indirect and induced employment through the Group, its subcontractors and suppliers

We are also investing in the future of construction by providing development opportunities across multiple pathways.

465 participants in graduate, apprenticeship and trainee programmes in FY25

Wider society

Housebuilding is key to the UK Government's plans to generate growth in the UK and the provision of new homes is vital to tackling the country's housing shortage. By utilising the unique opportunities that arise from our land channels, financial strength and stakeholder relationships, we are able to ensure the provision of new homes in locations where they are needed and kickstart growth.

16,565 home completions in FY25 (including 2,898 affordable)

£5.1bn gross value added to the UK economy in FY25

Measuring our progress

Unless otherwise specified, all performance indicators incorporate Redrow from 22 August 2024 onwards.

Link to strategic priorities

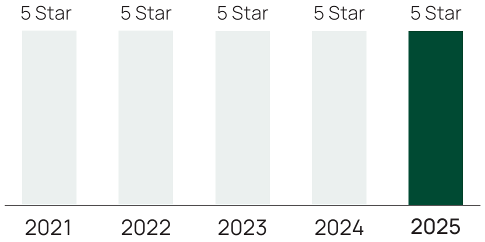
1 Delivering a best-in-class customer offering
2 Driving operational efficiency through differentiated brands
3 Using capital effectively to drive growth
4 Leading the industry in sustainability

Non-financial

HBF 5 Star customer satisfaction

Barratt David Wilson
5 Star

Redrow
5 Star



Target

HBF 5 Star customer satisfaction.

Status

Achieved

Definition

A 5 star rating is awarded if 90% or more of homebuyers say they would recommend us to family and friends in the HBF Homebuilder Survey.

Why it's a KPI

Delivering a best-in-class customer offering is a strategic priority and fundamental to our business.

HBF Homebuilder Survey is an industry recognised independently measured indicator of our customer service and build quality.

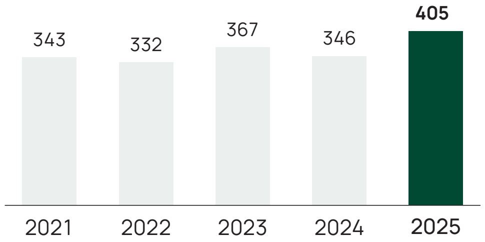
Key metric for assessing performance for Executive Directors' remuneration.

Link to strategic priorities

1

Average active sales outlets

405



Target

Grow average active sales outlets to between 475 and 525 in the medium term.

Status

On track

Definition

The average number of sites with at least one plot available for sale during the period, including JVs.

Why it's a KPI

Growing the number of active sales outlets, including through the deployment of multi-branded developments, increases the range of homes we can offer to customers and trade through sites more quickly to reduce cost.

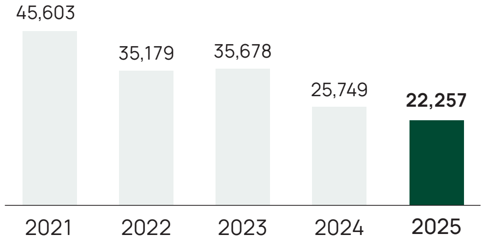
This metric has been added as a KPI this year because it is key to our synergy delivery.

Link to strategic priorities

1 2 3

Scope 1 and 2 carbon emissions (tCO_2e)[1]

22,257



Target

Following the Redrow acquisition, we are developing a revised net zero target for the combined business (see page 11).

Status

N/A

Definition

Tonnes of greenhouse gas emissions associated with our scope 1 and market based scope 2 emissions, which includes energy and fuel use on our sites, in our offices and in our company vehicles.

Why it's a KPI

Monitors the environmental impact of our business activities and our exposure to climate-related transition risk.

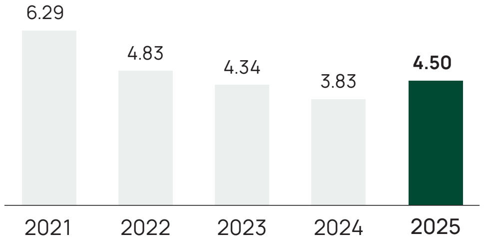
Scope 1 and 2 carbon emissions intensity is a key metric for assessing performance for Executive Directors' remuneration.

Link to strategic priorities

4

Waste intensity (tonnes per $100m^2$)

4.50



Target

Reduce construction waste intensity (tonnes per $100m^2$ of housebuild equivalent build area) to 4.54 by 2025.

Status

Achieved

Definition

Tonnes of waste generated from above ground construction for every $100m^2$ of housebuild equivalent build area.

Why it's a KPI

Monitors the efficiency of operations and the use of materials in the construction process.

Key metric for assessing performance for Executive Directors' remuneration.

Link to strategic priorities

4

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[1] In accordance with our restatement policy, and consistent with SECR, GHG Protocol and SBTi guidance, we have restated previously reported GHG emissions to reflect material changes in our organisational boundary and methodology. Please see pages 234 to 236 for more details.

Key performance indicators continued

Link to strategic priorities

1 Delivering a best-in-class customer offering

2 Driving operational efficiency through differentiated brands

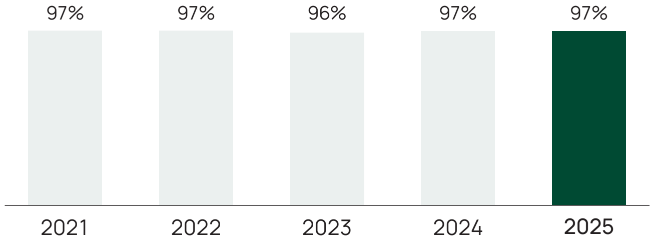
3 Using capital effectively to drive growth

4 Leading the industry in sustainability

Non-financial continued

SHE audit compliance[2]

97%



Target

Over 94% SHE audit compliance.

Status

Achieved

Definition

The percentage of internal inspections which are compliant with Barratt David Wilson and Redrow SHE guidelines, as applicable.

Why it's a KPI

Demonstrates compliance with safety standards on our sites. Lead indicator highlighting areas of SHE focus.

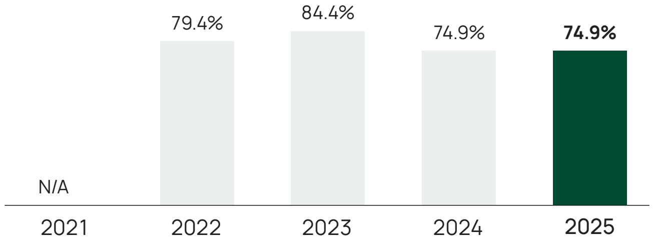
Key metric for assessing performance for Executive Directors' remuneration.

Link to strategic priorities

4

Employee engagement

74.9%



Target

Exceed 75th percentile score in the engagement survey.

Status

Below target

Definition

The percentage level of satisfaction of our people measured using the last independently conducted survey before the reporting date.

Why it's a KPI

Monitors employee engagement and satisfaction, whilst also providing a forum for view sharing, to ensure we retain and invest in the best people and focus on their development and success.

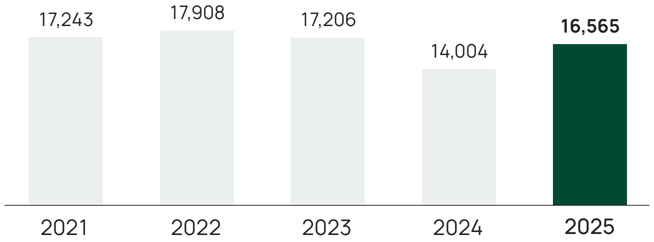
Link to strategic priorities

4

Financial

Total home completions

16,565



Target

Growth to 22,000 in the medium term.

Status

On track

Definition

Legally completed homes during the year including the homes legally completed within the JV's in which the Group has an interest.

Why it's a KPI

Reflects activity and growth.

Monitors business capacity.

Link to strategic priorities

1 **2**

---

[2] SHE audit compliance includes Redrow sites from 1 April 2025. From 22nd August 2024 to 31 March 2025 Redrow sites were assessed under the legacy Redrow SHE inspection region, with an audit compliance score of 92%. See our ESG basis of reporting for more detail at www.barrattredrow.co.uk/sustainability/esg-data-and-performance

Key performance indicators continued

Link to strategic priorities

1 Delivering a best-in-class customer offering

2 Driving operational efficiency through differentiated brands

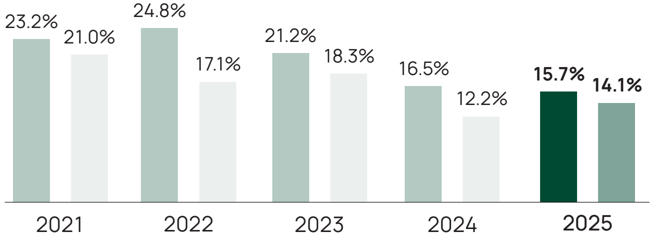
3 Using capital effectively to drive growth

4 Leading the industry in sustainability

Financial continued

Adjusted gross margin (Gross margin)

15.7% (14.1%)



Target

Achieve minimum 23% gross margin, rising to 24% after synergies are realised.

Status

Below target

Definition

Gross profit divided by total revenue, expressed as a percentage.

Why it's a KPI

Key internal metric for assessing site profitability.

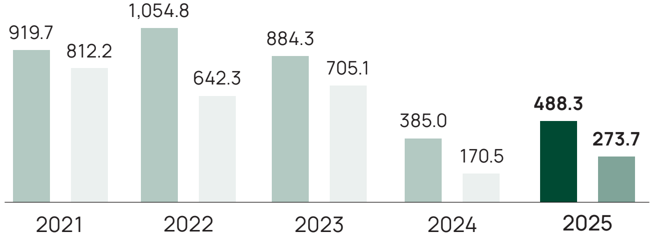
Enables consistent comparison of land acquisitions.

Link to strategic priorities

2

Adjusted profit before tax (£m) (Profit before tax (£m))

488.3 (273.7)



Target

Informed by consensus at the start of the financial year.

Status

Achieved

Definition

Profit before tax including the applicable share of profits from JVs and associates.

Why it's a KPI

Shows the profitability of the Group relative to market expectations.

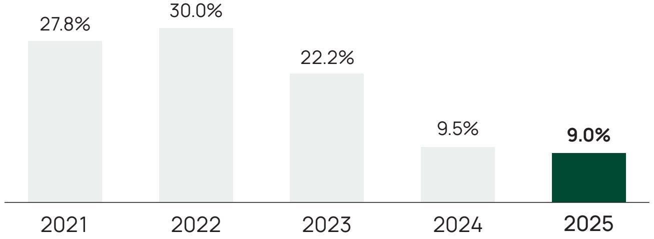
Key metric for assessing performance for Executive Directors' remuneration.

Link to strategic priorities

2

Return on capital employed

9.0%



Target

Minimum 25%.

Status

Below target

Definition

Earnings before amortisation, interest, tax, operating charges relating to the defined benefit pension scheme and operating adjusting items for the year, divided by average net assets adjusted for goodwill and intangibles, tax, net cash, derivative financial instruments and provisions in relation to legacy properties.

Why it's a KPI

Ensures efficient and effective use of capital.

Key metric for assessing performance for Executive Directors' remuneration.

Link to strategic priorities

2

Key performance indicators continued

Link to strategic priorities

1 Delivering a best-in-class customer offering

2 Driving operational efficiency through differentiated brands

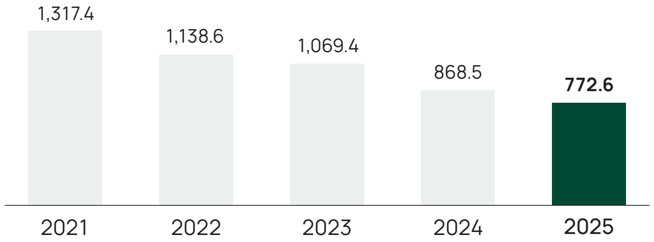
3 Using capital effectively to drive growth

4 Leading the industry in sustainability

Financial continued

Net cash (£m)

772.6



Target

Year-end net cash.

Status

Achieved

Definition

Cash and cash equivalents, bank overdrafts, interest-bearing borrowings and prepaid fees.

Why it's a KPI

Monitors business liquidity, resilience to risk and ability to take advantage of opportunities, including investments and land acquisition.

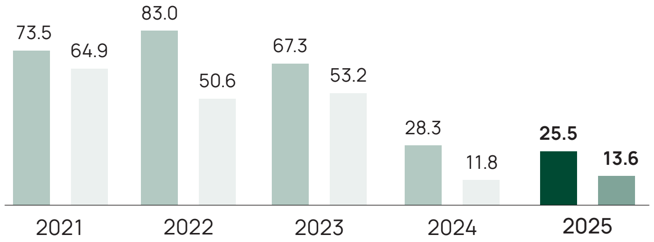
Allows for distributions to shareholders.

Link to strategic priorities

3

Adjusted basic EPS (p) (Basic EPS (p))

25.5 (13.6)



Target

Informed by consensus at the start of the financial year.

Status

Achieved

Definition

Profit for the year attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year, excluding those held by the EBT on which no dividend is paid.

Why it's a KPI

Shows profit attributable to each share.

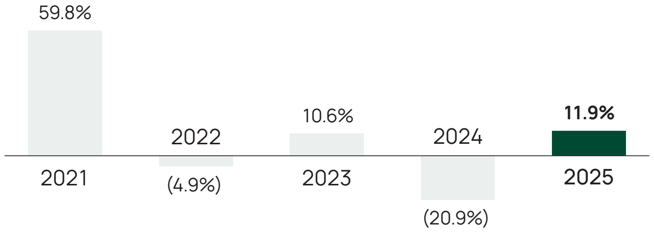
Key metric for assessing performance for Executive Directors' remuneration.

Link to strategic priorities

3

Total shareholder return

11.9%



Target

To grow total shareholder return against FTSE companies (those within 50 above and 50 below the Company in the index) and the Housebuilding sector.

Status

Below target

Definition

Measure of the performance of the Group's share price over a period of three financial years. It combines share price appreciation and dividends paid to show the total return to the shareholders expressed as a percentage.

Why it's a KPI

Shows the appreciation and income a shareholder receives from holding each share.

Key metric for assessing performance for Executive Directors' remuneration.

Link to strategic priorities

3

Delivering the homes the country needs

Introduction

We delivered a solid financial performance in FY25, whilst making good progress against our strategic priorities. Despite continued challenges around mortgage affordability and cost of living pressures, reduced volatility in mortgage rates, a broadening range of mortgage products available, easing inflation trends and a more balanced economic backdrop supported demand in FY25, as reflected in our solid reservation rates.

The Redrow acquisition, completed in August 2024, was a transformative milestone - bringing a complementary premium brand, high-quality land assets and significant opportunities to unlock both cost and revenue synergies. The acquisition strengthens our market position and underpins our confidence in delivering our medium-term target of 22,000 total home completions per year. Together, we are uniquely placed to drive growth, enhance shareholder value and continue to deliver the homes the UK needs. I would like to thank our teams throughout the business and our wider supply chain partners for their continued professionalism and dedication as we capture the exciting opportunities ahead for Barratt Redrow.

Performance summary

In FY25 we delivered total home completions of 16,565 (FY24: 14,004[R]; 17,972[A]) including completions from Redrow since the acquisition in August 2024. Whilst this was slightly lower than the guided volume range, we delivered adjusted profit before tax and before the impact of Redrow acquisition fair value adjustments, slightly ahead of expectations at £591.6m (FY24: £385.0m[R]; £585.7m[A]). Our reported profit after tax was £186.4m (FY24: £114.1m[R]; £249.5m[A]).

We continue to maintain a strong balance sheet with year-end net cash of £772.6m (FY24: £868.5m[R]; £1,164.5m[A]) after the payment of dividends, the share buyback and legacy property-related spend.

ROCE reduced to 9.0% (FY24: 9.5%[R]) reflecting the increase in capital employed through the Redrow acquisition, as well as the negative impact of acquisition fair value adjustments on reported profitability.

For more information on our financial performance and on the additional accounting impacts of the Redrow acquisition, please refer to the Chief Financial Officer's Statement.

Acquisition of Redrow

In August 2024 we completed our acquisition of Redrow plc, creating a business which can deliver 22,000 homes per annum through three high quality brands at a range of price points. We are delighted to have added Redrow's talented teams to our own employee base. By using the Redrow brand to complement our two existing homebuilding brands - Barratt Homes, including Barratt London, and David Wilson Homes - we plan to grow the business over the medium-term by initially creating incremental sales outlets from our combined land bank at acquisition, and leveraging our market-leading brands and resulting development scale and capabilities, to secure a wider portfolio of attractive land opportunities using our leading position across all land sourcing channels. The ethos of Redrow is closely aligned to Barratt and David Wilson with a focus on delivering high-quality homes and excellent customer service, underpinned by creating sustainable communities where people aspire to live.

Redrow integration

In line with our plans, six divisional offices have been closed and three are in the process of closing, with operational leadership aligned from 1 July 2025. During FY26, Barratt Redrow will operate from 32 housebuilding divisions across the country with the capacity to deliver 22,000 homes per annum in the medium-term.

The integration and synergy activities across our head office functions have also progressed well during the year. The restructuring of head office teams is well-advanced and is expected to complete in Q1 FY26. We are also making good progress in rationalising head office overhead costs. The transition of the Redrow business onto Barratt systems began in April 2025 and will be completed during FY26. Finally, our procurement programme continued to gain momentum through FY25 as we moved to both harmonise buying terms and ensure the purchasing scale of Barratt Redrow is optimised, unlocking the targeted synergies.

As a result of this hard work, we had confirmed c. £69m of cost synergies at the year end and we are well on the way to achieving an upgraded cost synergy target of at least £100m. Cost synergies of £20m were crystallised within FY25 performance, ahead of our October 2024 target of c. £10m. We now anticipate around £45m of incremental cost synergies will be crystallised in FY26. Total Redrow-related reorganisation and restructuring costs are expected to be £90m to £95m with £56.8m incurred as an adjusting item in FY25 and the balance of c. £33m to £38m anticipated in FY26.

With respect to revenue synergies, we submitted 16 planning applications for incremental sales outlets from the combined Barratt Redrow land bank, and we were pleased to have already secured planning approval on 5 of these in FY25. Since the year end a further 9 planning applications have been submitted and 4 additional planning approvals secured. With progress to date, we remain confident in delivering 45 incremental sales outlet openings by the end of FY28.

Chief Executive's Statement continued

Strong fundamentals for growth

At our capital markets event in February 2025, we outlined why we believe the UK housing market has strong fundamentals for growth, and why we are the best-positioned national homebuilder to capitalise on this opportunity.

Following the acquisition of Redrow, and the strong progress we have made on integration, we have a clear strategy to leverage our position as an exceptional UK homebuilder to deliver growth and maximise shareholder returns. With our unrivalled record on quality, service and sustainability, in addition to our robust financial position and long-standing partnerships, we are well-placed to significantly increase volumes, with a clear target to deliver around 22,000 homes per year in the medium-term. We are confident that the strength of our three leading and differentiated brands, our nationwide footprint, our strong land pipeline and our deep operational experience and expertise, place us in a very strong position to deliver against this ambition. During the year, we have also taken further strategic actions to underpin our ability to deliver this volume growth, including:

- expanding our timber frame production capacity, which typically reduces build time by seven to eight weeks whilst reducing local site labour dependency;
- continuing to innovate and test new products to increase efficiency and provide resilience in the build process, such as the Mauer façade system; and
- right sizing our divisional office network, ensuring we have the right teams in the right geographic locations to meet our ambitions.

We welcomed the proposed planning reforms introduced by the new Government in the autumn of 2024. However, these reforms are not yet fully enacted and therefore their impact on improving planning outcomes in our divisional businesses has been slower than we anticipated. We remain confident in our ability to grow our sales outlet numbers to between 475 and 525 in the medium-term, which will allow us to deliver our medium-term volume guidance of 22,000 home completions per year.

Strategic priorities

As we enter this new era as Barratt Redrow, we have clear strategic priorities to deliver our goals for the business in the short, medium and long-term. These are summarised below:

Delivering a best-in-class customer offering:
- deliver excellent customer service at all stages in the home buying process, from contact through our website to after-care support when our customers have moved into their new home;
- provide a broad and customer-led choice of homes by way of brand, geographic location, style and layout design and price points; and,
- maintain the best build quality in the industry.

Driving operational efficiency through differentiated brands:
- increase the number of sales outlets we operate from and the efficiency with which we develop our land pipeline;
- deliver the cost synergies from the Redrow acquisition and further efficiencies through centralisation of our support functions; and,
- evolve the standardisation of our house types to improve both our build efficiency and the adoption and use of modern methods of construction.

Using capital effectively to drive growth:
- create new opportunities for growth through disciplined land acquisition and the development of alternative land channels;
- invest in our operations to support our sustainable growth over the medium to long-term, most notably in timber frame manufacturing; and,
- return capital to shareholders which is surplus to the Group's requirements, through an ongoing dividend based on 2.0 times dividend cover and a share buyback programme of at least £100m annually.

Leading the industry in sustainability:
- create the sustainable homes and developments that our customers and communities demand and deserve;
- ensure we remain the partner of choice for stakeholders seeking to deliver a path to sustainable growth; and,
- deliver a net zero transition plan for Barratt Redrow, following the Redrow acquisition, which recognises both the challenges and opportunities ahead.

Charitable giving and the Barratt Redrow Foundation

Core to our purpose is building strong communities, a key part of that is supporting existing communities, local charities and good causes and providing the opportunities for our employees to volunteer and raise money for causes close to their hearts.

The Barratt Foundation was launched in 2021 and on 1 July 2025 became the Barratt Redrow Foundation, expanding its charitable programmes to include our Redrow colleagues and communities. We now look forward to expanding the positive impact we can have on charities and good causes as an enlarged Group, with greater employee involvement and the opportunities for additional fundraising, volunteering and support for communities across the country.

In FY25 we donated £6.7m (FY24: £6.4m[R]) through the Barratt Foundation and employee fundraising across the enlarged Group.

Responsible development

Keeping people safe

Our first priority is to keep our employees, our subcontractors and our customers safe. During FY25, our injury incidence rate, across Barratt Redrow's combined operations, decreased to 272 (FY24: 302[R]) per 100,000 workers whilst we maintained our SHE audit compliance at 97% (FY24: 97%[R]).

We remain focused on improving our site-based processes and procedures, challenging unsafe behaviours and building on our health and safety performance through on-site induction training and safety awareness for all personnel, while also developing our site managers' vigilance to health and safety risks on site.

Building safety

Our approach to assessing and rectifying historical building safety issues has been consistent. We take our responsibilities seriously and are working as fast as we can to assess relevant buildings, where necessary design appropriate remediation strategies and work with all relevant stakeholders – including residents, building owners, principal accountable persons, local authorities and the Building Safety Regulator – to expedite that remediation as efficiently as possible.

Through our dedicated Building Safety Unit, we ensure remediation has the appropriate focus within our business and our use of high-quality fire engineers and peer reviews of proposed solutions, as well as the diligence of our site teams, means that we have a high degree of visibility around remediation progress and expected costs.

During FY25 additional legacy property related costs were recognised. These costs related to:

- the fair value of Redrow's building safety provision, which was recognised at £184.3m at the date of acquisition and was included in the Group's interim results to 29 December 2024;

Chief Executive's Statement continued

Responsible development continued

Building safety continued

- charges relating to legacy property provisions, including revaluations, which totalled £106.2m and which, after recoveries from third parties of £15.8m and associated legal costs of £2.2m, resulted in an adjusted item charge of £92.6m; and
- new issues identified in the Redrow portfolio post-acquisition with respect to reinforced concrete frame design and construction and, after investigation, testing and quantification in the second half of FY25, a revision to the Redrow opening balance sheet fair value of £131.8m, recognised through an additional reinforced concrete frame provision of £105.2m and an adjustment to inventories of £26.6m.

We also continue, where possible, to actively seek to recover costs from third parties in respect of issues around fire safety and reinforced concrete frames. In May 2025, the Group won a landmark Supreme Court case which clarified the responsibility of companies in the supply chain for remediating defects in developments they were involved in. This ruling made it clear that all parts of the industry need to take responsibility and that developers shouldn't be penalised for proactively taking action to support leaseholders and residents in advance of litigation. In the judgement, the Supreme Court noted that we had been "pro-active in investigating, identifying and remedying building safety defects".

→ To read more about the judgement, please follow this link:
supremecourt.uk/cases/uksc-2023-0110

Current trading and future outlook

While we delivered a solid trading performance during FY25, private homebuyer confidence remains fragile given the continuing affordability challenges they face, particularly around deposit requirements, and general concerns on employment, future taxation policy and mortgage rates, which remain elevated when compared to recent years, notwithstanding increased mortgage market competition and mortgage availability.

We remain encouraged by the Government's focus on housebuilding and its reforms to the planning system which, in time, should have a significant positive effect. However, to see housebuilding volumes accelerate and reach the numbers needed to tackle our housing crisis, Government needs to also address demand-side constraints on homebuyers, both institutional and private, which will ultimately drive housebuilding activity. In the meantime, it is vital that Government policy, in particular around taxation and regulation, is focused on creating a positive and stable environment for business and investment.

As planning policy reforms are implemented at a local, practical level, we are in a uniquely strong position to take advantage of any improvements in the economic environment and accelerate volume delivery through our three leading brands, and we remain confident in our medium-term ambition to deliver 22,000 high-quality homes a year.

We entered FY26 with a solid forward sales position and at 24 August 2025 we are 45% forward sold with respect to private wholly owned home completions for FY26 (25 August 2024 for FY25: 42%[R], 45%[A]), with 48% of the private order book exchanged (25 August 2024: 52%[R],50%[A]).

Our overall net private reservation rate through to 24 August 2025 has slightly reduced to 0.55 (FY24: 0.58[R], 0.56[A]) due to the lack of reservations into the private rental sector and other multi-unit sales (FY25: 0.03[R&A]). Since the start of FY26 however, our current year reservation rate, excluding PRS and other multi-unit sales, has remained resilient at 0.55, 3.8% ahead of the comparable period last year.

The composition of our forward sales on 24 August 2025 and the order book movement since 29 June 2025 are included in the following tables, along with the aggregated performance of Barratt and Redrow in the comparable period in 2024:

	24 August 2025		25 August 2024		Variance %	
	£m	Homes	£m	Homes	£m	Homes
Private	2,139.1	5,403	2,109.1	5,476	1.4%	(1.3%)
Affordable	806.7	4,398	759.8	4,523	6.2%	(2.8%)
Wholly owned	**2,945.8**	**9,801**	**2,868.9**	**9,999**	**2.7%**	**(2.0%)**
JV	195.1	549	151.1	399	29.1%	37.6%
Total	**3,140.9**	**10,350**	**3,020.0**	**10,398**	**4.0%**	**(0.5%)**

	Current year		Prior year[A]		Variance %	
	Private	Total[3]	Private	Total[3]	Private	Total[3]
29 June 2025 / 30 June 2024	4,781	9,835	4,505	9,426	6.1%	4.3%
Reservations	1,716	1,750	1,903	2,074	(9.8%)	(15.6%)
Completions	(1,094)	(1,235)	(932)	(1,102)	17.4%	12.1%
24 August 2025 / 25 August 2024	**5,403**	**10,350**	**5,476**	**10,398**	**(1.3%)**	**(0.5%)**

Based on the trading year to date, with broadly stable sales rate and average sales outlets, along with private rental sector reservations expected over the year ahead, we continue to anticipate total home completions, including JVs, will be in a range of 17,200 to 17,800 in FY26, including c. 600 completions from our JVs, whilst ensuring we maintain our industry-leading standards of build quality and customer service. This also assumes a normal autumn selling season, which is our current expectation, however the extended period through to the Budget, now scheduled for 26 November 2025, and related uncertainties around general taxation and that applicable to housing, has introduced additional risk. We also currently estimate that between 40% and 45% of our completions will be delivered in the first half of FY26.

We are executing the integration of Redrow at pace, we have a strong balance sheet and a solid forward sales position, and we believe we are well positioned as we move forward in FY26.

David Thomas
Chief Executive
16 September 2025

Notes:

R. Reported denotes a Barratt Developments PLC Group (Barratt Group) reported metric based on the standalone performance of the Barratt Group in the comparable reporting period.

A. Aggregated denotes an aggregated metric based on the reported performance of the Barratt Group in the comparable reporting period 1 July 2023 to 30 June 2024 and includes the performance of the legacy Redrow plc Group (Redrow Group) from 24 August 2023 to 30 June 2024, to provide comparability on operational and financial performance.

Redrow Group data is based on Redrow plc's standalone accounting policies and therefore excludes any impact of policy alignments made since the acquisition. Aggregated adjusted measures are also prepared and presented on the same basis.

The aggregated value comparatives have not been audited or reviewed by Barratt Redrow plc's auditor.

Our strategy for growth

Our strategic priorities

1

Delivering a best-in-class customer offering

Offering incomparable choice, customer service and quality.

→ See more about our strategy on pages 32 and 33

2

Driving operational efficiency through differentiated brands

Driving both revenue and profitability by maximising efficiency to push both our revenue and profitability, further capitalising on efficient allocation of capital.

→ See more about our strategy on pages 34 and 35

3

Using capital effectively to drive growth

Disciplined allocation of our capital allows us to invest in the business and the right land opportunities, ensuring future growth and robustness, while returning excess capital to our shareholders.

→ See more about our strategy on pages 36 and 37

4

Leading the industry in sustainability

Our growth plans are underpinned by long-term leadership in sustainability.

→ See more about our strategy on pages 38 and 39

Strategic priorities continued

Strategic priorities

1 Delivering a best-in-class customer offering

Offering incomparable choice, customer service and quality.

How we do it:

- Ensure quality and customer service remain the priority across the Group.
- Listen to customer feedback, working hard to ensure we maintain 5 Star service across all our divisional offices.
- Offer mortgage qualification and access assistance.
- Wide range of customer assistance programmes.
- Offering three brands to our customers, with homes ranging from one to five bedrooms and with differentiated architectural styles, fixtures and fittings to suit a spectrum of budgets and tastes.
- Aim to get build quality right first time, ensuring our customers enjoy their new homes from the first time they step over the threshold.

Progress:

- Barratt David Wilson and Redrow maintained our 5 Star HBF customer satisfaction status with the latest rolling annual recommend score of 96.0% for Barratt David Wilson and 95.7% for Redrow, the highest score for UK national housebuilders.
- In total, our customers used 13 different assistance programmes in the year to help them buy one of our homes, including part exchange, a key worker deposit contribution scheme and deposit unlock.
- We acquired Redrow, providing our customers with additional house type choices and Redrow's outstanding customer service.
- We also maintained our industry leadership position among the major UK housebuilders, registering the lowest NHBC Reportable Items per inspection of the new build properties for defects, at 0.12[1] through FY25 (FY24: 0.13).

Key performance indicators:

5 Star	**16,565**	**405**
HBF customer satisfaction	Total completions	Average active sales outlets

[1] Barratt David Wilson only.

2 Driving operational efficiency through differentiated brands

Driving both revenue and profitability by maximising efficiency, further capitalising on disciplined allocation of capital.

How we do it:

- Capitalise on our brand portfolio through efficient use of multi-branding sites, driving asset turn and opening 45 incremental outlets on our existing land bank at acquisition.
- Build efficiency and resilience through use of standard product and MMC in Barratt Homes and David Wilson Homes product.
- Refinement of house types across the three brands.
- Continue to align build and sales rates to optimise work in progress.
- Deliver the cost synergies from the Redrow acquisition.
- Centralisation of appropriate functions to reduce administrative costs.

Progress:

- We have submitted 16 planning applications so far out of the 45 sales outlets planned to deliver sales synergies through multi-branded sites.
- Five of the above revenue synergy outlet applications have received planning consent.
- 31% of completed homes in the year used MMC.
- Target cost synergies were increased in the year from £90m to £100m, with £20m crystallised in FY25.
- Both our divisional Payment and HR teams were centralised in the year.

Key performance indicators:

405	**16,565**	**£488.3m/ £273.7m**	**15.7%/ 14.1%**
Average active sales outlets	Total home completions	Adjusted profit before tax/profit before tax	Adjusted gross margin/gross margin
25.5/13.6	**9.0%**		
Adjusted basic EPS/ basic EPS	Return on capital employed		

Strategic priorities continued

Strategic priorities continued

3 Using capital effectively to drive growth

Disciplined allocation of our capital allows us to invest in the business and the right land opportunities, ensuring future growth and robustness, while returning excess capital to our shareholders.

How we do it:

- Purchase quality land, making use of the land channels available to us (such as the MADE Partnership, promotional land via Gladman and our substantial strategic land bank) to bring through high-quality land, utilising land creditors where appropriate.
- Identify areas in which the business would benefit from additional investment, such as our timber frame factories.
- Control growth at 5–10% per annum to ensure quality and customer service are not compromised.
- Return capital to shareholders through the appropriate distribution method.

Progress:

- We invested £862.5m in land in the year, ensuring our growth ambitions are able to be realised in the medium term.
- Land creditors have increased to 16% of our land bank (FY24: 15%).
- Our first two sites via the MADE Partnership have been confirmed – Godley Green in Greater Manchester and Handforth Garden Village in Cheshire.
- In addition to the new timber frame factory opened in FY24, in FY25 we invested £24m in our Selkirk factory – doubling its capacity to 5,000 units.
- We repurchased £50m of shares through a share buyback in the second half of FY25 and have committed to £100m annual buybacks in the forthcoming financial years.

Key performance indicators:

£772.6m	Net cash/debt
11.9%	Total shareholder return
405	Average active sales outlets

4 Leading the industry in sustainability

Our growth plans are underpinned by long-term leadership in sustainability.

How we do it:

- Stay ahead of our customers' needs by understanding and implementing what sustainable homes mean to them.
- Drive innovation through supply chain partnerships and long-term commitments.
- Cultivate relationships with leading organisations including NGOs, landowners, financial institutions and lenders to share expertise and collaborate.
- Provide leadership and expertise for the sector and leverage our relationship with Government and industry bodies to enable a UK policy environment that supports sustainable growth.
- Develop a robust pathway to net zero that supports our growth plans and climate resilience.
- Continually look for ways to ensure that our workforce is diverse and inclusive and reflects the communities in which we operate.

Progress:

- We engaged with over 5,000 of our customers and in-market consumers on sustainability topics to understand their needs and ensure their voice is embedded in our business plan.
- We were integral to the Future Homes Hub Transition Plan – a shared pathway and framework to align around and to work together on overcoming barriers to decarbonisation in new homes.
- We continued to improve embodied carbon emissions data accuracy through supplier engagement and the adoption of a quantity-based calculation methodology (see page 82).
- We installed 4,273 nature interventions on our developments including bat boxes, swift nesting bricks and hedgehog highways.
- Our mean gender pay gap reduced to 7.8% and is significantly lower than the average for UK businesses (see page 45).

Key performance indicators:

22,257	Scope 1 and 2 carbon emissions[1]
4.50	Waste intensity (tonnes per 100m^2 HBE)
97%	SHE audit compliance[2]
74.9%	Employee engagement score

[1] In accordance with our restatement policy, and consistent with SECR, GHG Protocol and SBTi guidance, we have restated previously reported GHG emissions to reflect material changes in our organisational boundary and methodology. Please see pages 234 to 236 for more details.

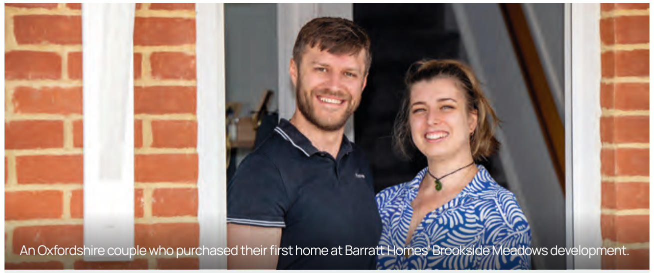
[2] SHE audit compliance includes Redrow sites from 1 April 2025. From 22nd August 2024 to 31 March 2025 Redrow sites were assessed under the legacy Redrow SHE inspection region, with an audit compliance score of 92%. See our ESG basis of reporting for more detail at www.barrattredrow.co.uk/sustainability/esg-data-and-performance

Delivering a best-in-class customer offering

Two of our values are "we do it for our customers" and "we do it right". This underpins the way we operate and the decisions we make. When buying a Barratt, David Wilson or Redrow home, customers put their trust and faith in our unrivalled track record of delivering quality homes with the service to match. Maintaining this record is the right thing to do. That is why we made it our first strategic priority.

To ensure we stay up to date with customers' wants and needs, we have an established customer insight programme. Over the past three years, the programme has generated 34,200 interactions, involving over 2,800 of our own customers and 31,400 of those in the market to buy a new home. Using a mix of quantitative and qualitative research, this programme helps us understand customer needs and preferences, particularly in relation to the price, quality and overall offer of our homes, services and brands.

It supports business decisions, and its objectives include delivering high-quality data to promote a clear understanding of customer needs, ensuring the customer voice is embedded and recognised in every part of our business.



An Oxfordshire couple who purchased their first home at Barratt Homes' Brookside Meadows development.

Customer choice

All our customers have their own unique situations, requirements, tastes and budgets. That is why we aim to give our customers choices wherever possible.

This choice starts right at the beginning of the home buying process. With our three, differentiated brands, our customers are given an unparalleled range of house types to choose from. In general, we see first-time buyers and young families opting for Barratt Homes, mover-uppers and growing families choosing David Wilson Homes, and downsizers and premium purchasers selecting Redrow.

In addition to its standard house types, Redrow also offers a "Lifestyle" range. This range sees three-bed homes built on the footprint of four-bed homes. Each bedroom has its own en suite, and the added bedroom space is particularly popular with downsizers.

Once a home has been picked, customers have the choice of our buying schemes. From part exchange, to the Own New Rate Reducer, to schemes for key workers and armed forces personnel, we have a scheme to suit every buyer and help them make their purchase.

Once a customer has reserved their home, next comes the exciting part – personalising their space. Customers have the choice to upgrade a wide variety of fixtures and fittings including flooring, kitchens and wardrobes, depending on build stage.

Barratt Homes, Pride in the Job winner at Findrassie, North Scotland.

Build performance and quality

In common with our commitments around customer service, our build quality has an unrivalled track record. At the 2024 NHBC awards, 111 of our site managers won Pride in the Job awards, 29 went on to win "Seals of Excellence" and, of those 29, three were regional winners. To win a Pride in the Job award is a great achievement and we are very proud of all our site managers.

In 2025, for a record 21 consecutive years, our site managers have won more NHBC Pride in the Job awards than any other homebuilder, with 115 awards.

The NHBC also monitors Reportable Items (RIs). RIs are any defects found during any inspection. For a sixth consecutive year Barratt legacy operations registered the lowest RIs at 0.12 (FY24: 0.13) per NHBC inspection. Over the same period Redrow operations registered RIs of 0.23 per inspection, a considerable improvement on the previous FY24 performance at 0.29.

We don't just build to regulations, we are constantly looking at the overall quality of our developments and ways to enhance the environment where we develop. Since completing the acquisition of Redrow, we have begun refreshing our placemaking vision. We intend to lead the industry, drawing on and expanding on the existing placemaking frameworks "Great Places" and the "Redrow 8". It will be customer centred and focused on integrating the business' three brands seamlessly with a view to optimising sales, as well as providing confidence to stakeholders that we will deliver high-quality new homes and ever more sustainable communities.

Strategic priorities continued

1 2 3 4

Delivering a best-in-class customer offering continued


Barratt Homes staff at Rogerson Gardens, Preston.

Customer service

Our customer service record is unrivalled. For 16 consecutive years our customers, through the HBF's Customer Satisfaction Survey, have awarded us a 5 Star rating for customer satisfaction. No other homebuilder comes close to this record. Being a 5 Star builder means that over 90% of our customers would recommend us to a friend. Our latest rating is 96%.

The customer journey starts long before we hand over the keys. The process of buying a home is often deemed a stressful one, so we do what we can to make it easier and gather feedback from customers to improve the experience.

For example, we are continuously using customer feedback to improve our sales centres, our house type portfolio and our incentives and buying schemes.


Emily and Joseph settling into their new home.

Upsizing with David Wilson Homes

Emily and Joseph, a Children's Speech and Language Therapist and Electrician respectively, have upsized to a new four-bedroom home at David Wilson's Bluebell Meadows development in Derbyshire, with their young daughter, Elsie, and their Wire Fox Terrier, Daisy.

The family used the Own New - Rate Reducer scheme to help purchase the new home, which works by using incentive budgets which housebuilders offer to customers to reduce their monthly mortgage payments over a fixed term.

Emily commented: "The whole buying experience with David Wilson Homes was very positive! Moving in was smooth and the site team have been very friendly, helpful and approachable."

Stacey, Sales Director at David Wilson Homes Sheffield, said: "We're delighted to welcome Emily, Joseph, Elsie and Daisy to our growing development at Bluebell Meadows. It fills us with immense pride to see the community that is forming here.

"It's great to hear that the Own New - Rate Reducer scheme helped the family to make the move, and we're thrilled they had a great moving experience!"

Driving operational efficiency through differentiated brands

Our operating margin and return on capital employed, amongst other metrics, have been impacted in recent years due to declining volumes, the increased use of sales incentives and significant inflation in building material costs.

As we grow our volumes, we're committed to establishing new and improved ways of running the business more efficiently.

Image: Barratt West Midlands and BDW Mercia are constructing a dual-branded development at the Pearls in Stourport-on-Severn.

Multi-branding

Since the acquisition of David Wilson Homes in 2007, Barratt Homes and David Wilson Homes have successfully delivered hundreds of dual-branded developments. With the addition of the Redrow brand we can continue to enhance this strategy.

Multi-branding developments can significantly reduce the time on a development as Build and Sales teams work on different areas of the development in parallel. This enhances asset turn and improves return on capital employed.

Our competitive position with respect to larger land development opportunities is also enhanced. As Barratt Redrow we can draw together the optimisation of our three brands and skills from across the enlarged Group. This also allows us to compete for larger land opportunities where competition is often more limited and where competitive bidders are frequently operating as joint ventures or reliant on introducing other homebuilders to such developments. Competing bidders for these larger developments frequently face front-end risks around securing a trusted, adequately funded and reliable partner in the bidding process, as well as subsequent risks around the mix of homes and pace of development and home sales each partner is seeking to generate, which can create development conflict and unforeseen competitive pressures.

Our experience of dual branding sites also helped us to identify the opportunities to replot a significant number of Barratt and Redrow developments and create additional sales outlets. The process of amending planning permissions for these 45 additional sales outlets (defined as "revenue synergy sales outlets") is well underway, with 16 applications submitted. In H2 FY27 we expect to see the first completions from these incremental sales outlets.

Visit here for more information on the benefits of multi-branding, vimeo.com/barrattredrowplc/multibranding

Cost synergies

As well as revenue synergies, the acquisition will also deliver £100m of cost synergies, £10m more than originally expected. These synergies come from procurement-related savings, right-sizing the divisional office structure and the consolidation of central and support functions. Cost synergies of £20m were delivered in FY25, around double the figure previously forecast, and we anticipate further cost synergies of around £45m will be unlocked in FY26.

When we announced the deal in February 2024, we indicated that nine divisional offices would be closed following the completion of the acquisition. CMA clearance was granted in October 2024, and at the end of the financial year, six divisional offices have been closed and three are in the process of closing. We have also announced further consultations on head office functions to ensure roles are not being duplicated as the businesses integrate.

The Board rationalisation is now complete, and much of the other PLC and third-party cost savings have now also been realised.

Other efficiency savings

Outside of the acquisition we have continued to analyse our business processes and look for efficiency and productivity savings.

In FY25 we centralised our HR function, creating a shared service centre. We also centralised our divisional payment teams into a single shared service centre to help us achieve greater consistency, control and efficiency in our payment procedures.

Strategic priorities continued

Driving operational efficiency through differentiated brands continued

Synergies explained

Revenue synergies

Incremental sales through the introduction of additional sales outlets to create multi-branded sites, and cost savings from reducing the time-based costs associated with each development. Through more rapid development we can accelerate the recovery of our land investment, improving cash generation and return on capital employed.

Revenue synergy sales outlets

Additional sales outlets planned to be opened on developments which were in the Barratt Redrow land portfolio at acquisition and through which revenue synergies will be achieved.

Synergies target

The annual reduction in pre-tax costs targeted to be achieved by actions to unlock synergies, assuming no change in the underlying business capacity.

Synergies confirmed

The annualised reduction in pre-tax costs that would be achieved if the synergies implemented as at the date of reporting had been in effect for a full year, including all completions in the year benefiting from procurement synergies.

Cost synergies

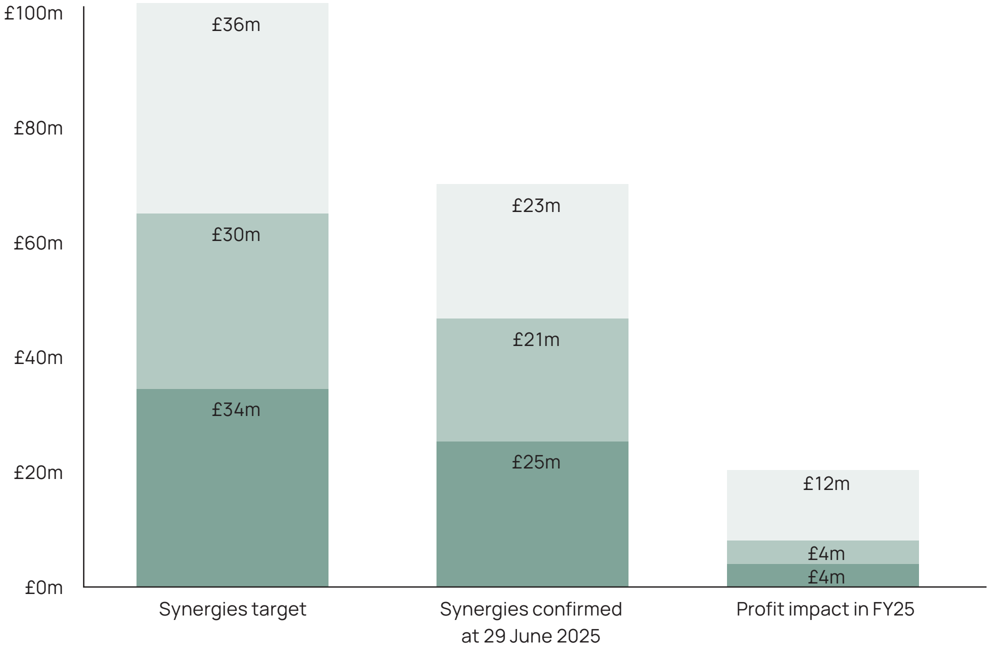
Integrating the Barratt David Wilson and Redrow housebuilding operations results in cost reductions in three main areas:

Divisional structure
Optimisation of the divisional office structure, reducing the number of divisions from 41 to 32.

Support functions
Consolidation of central and support functions, including Board, senior management, compliance and other third-party costs.

Procurement
Harmonisation of purchasing terms and additional rebates related to volume for the enlarged business, focused primarily on direct materials purchases.

Progress on cost synergies



45
Revenue sale synergy outlets planned

16
Planning applications submitted by 29 June

5
Planning consents received by 29 June

Strategic priorities continued

Using capital effectively to drive growth

We are committed to maintaining a strong balance sheet. As such, we are diligent and careful with the way in which we allocate our capital.

Our priority is to identify and purchase the right land to replace the land we are developing. This is then augmented by acquiring land for expansion and to support our growth ambitions.

Next, we consider other areas within the business where investment, either organically or through acquisition, can deliver improvement in the Group's long-term performance. This may be to enhance our product offer, to unlock productivity improvements or to address supply chain weaknesses, as well as meeting innovation and regulatory challenges, or changing market dynamics.

Finally, capital which, after careful Board consideration, is not required can be returned to our shareholders. We continually assess market conditions to ensure capital is returned in the most appropriate way – which is why in February we announced a change to our shareholder returns policy.

Land

Sourcing the right land, in the right locations, at the right price is crucial for our business. That is why, over time, we have developed multiple land channels.

Planning and ownership or control status	29 June 2025	30 June 2024
Plots with detailed planning consent	**59,645**	40,030
Plots with outline planning consent	**24,072**	15,239
Plots with resolution to grant and other	**3,994**	2,363
Owned and unconditional land bank (plots)	**87,711**	57,632
Conditionally contracted land bank (plots)	**12,293**	8,607
Total owned and controlled land bank (plots)	**100,004**	66,239
Number of years' supply	**6.2**	4.9
JVs owned and controlled land bank (plots)	**8,651**	4,631
Strategic land bank (acres)	**22,258**	16,865
Strategic land bank (plots)	**145,043**	106,516
Promotional land bank (plots)	**113,940**	105,359
Land bank carrying value (£m)	**5,104.9**	3,233.6

First, our divisional Land teams are experts in identifying, bidding on and progressing immediate land opportunities, in their local area, which will deliver the right product for the local customer base.

Second, divisions are also able to add to, and draw from, our extensive strategic land bank. We approved 12,972 plots across 42 planned future sites to add to our strategic land portfolio during the year (FY24: 4,477[R] plots and 30[R] sites). We also converted 5,860 strategic land plots (FY24: 3,723[R] plots and 3,851[A] plots) into our owned and controlled current land bank during FY25.

Third, through Gladman, the country's largest land promoter, which operates at arm's length as a standalone business within Barratt Redrow, we have a presence in the promotional land sector. Gladman's current portfolio consists of 113,940 promotional land plots (30 June 2024: 105,359 plots). During FY25, Gladman secured 10,837 plots (FY24: 9,239 plots) through new promotional agreements with land owners and, following a number of successful planning applications, achieved planning consents on 4,524 plots (FY24: 2,804 plots) and generated revenue of £38.6m (FY24: £13.1m) and an operating profit, before amortisation of intangible assets, of £8.5m (FY24: £0.2m). The Government's continued planning policy reforms will, we believe, be of significant benefit to Gladman over the coming years as there remains a general supply-demand imbalance for new housing across the country and housing numbers need to be met.

Finally, and most recently, we have formed the MADE Partnership alongside Homes England and Lloyds Banking Group. We are pleased to be working in joint venture with these two organisations and have already secured two large sites since the formation of the Partnership in September 2024 – the 2,000-home Godley Green Garden Village in Greater Manchester and the 1,500-home Handforth Garden Village in Cheshire. Barratt Redrow will build on a portion of the site, while providing other homebuilders with the opportunity to also build on already serviced land. The MADE Partnership's land holdings are held in joint venture and are therefore not included in our consolidated land bank details tabled earlier.

The significant increase in our land bank during FY25 reflected the acquisition of Redrow which saw 26,149 plots added to our owned land bank at the date of acquisition.

Throughout FY25 we also approved 22,530 plots across 108 sites (FY24: 12,439[R] plots across 58[R] sites) for future purchase and we invested £862.5m (FY24: £674.3m[R]) in land acquisitions and the settlement of land creditors.

At 29 June 2025 the estimated average selling price of plots in our owned land bank was £366,000 (30 June 2024: 328,000[R]) and the estimated gross margin in our land bank, based on the current estimated average sales prices and build costs at 29 June 2025 was 19.2% (30 June 2024: 18.6%).

Strategic priorities continued

Using capital effectively to drive growth continued

Land continued

We continue to target a regionally balanced land bank portfolio in the medium term with 3.5 years of owned land and a further 1.0 year of controlled land. As at 29 June 2025 our land bank comprised 5.4 years of owned land (30 June 2024: 4.3^{R} years and 4.7^{A} years) and 0.8 years of controlled land (30 June 2024: 0.6^{R} years and 0.6^{A} years).

Our land bank is also commercially strong with respect to its planning status with 68.0% of our owned and unconditional land bank plots at 29 June 2025 having detailed planning consent (30 June 2024: 69.5%^{R} and 70.8%^{A}).

During FY25, recognising the fundamental resource constraints on local authorities and the delay between the announcement and implementation of Government planning policy reforms, we secured planning consents on 14,551 plots across 78 developments (FY24: 9,026^{R} and plots across 54^{R} developments). As well as progressing planning applications at a local level, we received nine decisions via planning appeal, with six allowed and three dismissed. Of the three dismissed, we are actively submitting a revised planning application on two, addressing the reasons for dismissal, which we expect to be successful.

Whilst Government planning policy is clear, we still experience many local authorities delaying or refusing planning applications due to local electorate pressures. As a result, we may continue to incur significant time delays, scheduling disruption and additional legal costs to deliver a successful planning decision on appeal. We welcome plans to introduce a National Scheme of Delegation which will see schemes where the principle of development has already been established which should increase the certainty of planning decisions and minimise avoidable appeals.

To enhance our capital efficiency, we plan to increase the proportionate use of land creditors on new land purchases, where this meets the requirements and economic circumstances of land vendors. This will facilitate the replacement and medium to longer-term growth of our land bank, while aligning capital outflows more closely with the development programmes planned for the land acquired.

Investment opportunities

To ensure we maintain and build our competitive advantage and lead the industry, we are continually looking at areas that will benefit from incremental investment either in land supply, such as the MADE Partnership JV, in additional supply chain integration, as exemplified by our initial acquisition and subsequent expansion in timber frame manufacturing, or through more investment to secure access to innovative and emerging building products.

Following the acquisition of Oregon Timber Frame in June 2019, the decision was made to build a second production facility in Derby, built by Wilson Bowden Developments, which completed in FY24. In FY25 a further £24m has been invested in further expanding the capability and capacity of the original Selkirk production facility and we anticipate our timber frame capacity will grow to more than 9,000 homes over the coming three years.

While the cost of building a timber frame home can currently marginally exceed that of a traditional brick and block constructed home, depending on geographic location and local labour costs, the reduced build time combined with increased reliability of supply and the reduced embodied carbon make increasing our timber frame home production an attractive proposition. Additionally, using timber frame alleviates a level of future risk around on-site labour availability and cost. Vertically integrating and expanding this part of our supply chain will continue to provide benefits for Barratt Redrow in the years to come.

We are committed to leading the industry through access to land, our build processes and the adoption of MMC and ensuring we have access to and understanding of the latest innovations available to the homebuilding industry.

Shareholder returns

In February 2025 we announced a rebalancing of our shareholder returns policy. In FY24 and FY25 we had a dividend cover policy based on 1.75 times adjusted earnings before PPA charges associated with the Redrow acquisition. From FY26 this cover will move to 2.0 times adjusted earnings before PPA charges, along with a commitment to a share buyback of at least £100m annually.

We believe this will provide the best value to shareholders, while maintaining our disciplined approach to capital allocation.

Notwithstanding these changes, effective from FY26, we decided to accelerate the buyback programme into the second half of FY25. Between February and the end of June we bought back 11.3m shares at a cost of £50m.

Notes:

R. Reported and denotes a Barratt Developments PLC Group (Barratt Group) reported metric based on the standalone performance of the Barratt Group in the comparable reporting period.

A. Aggregated and denotes an aggregated metric based on the reported performance of the Barratt Group in the comparable reporting period 1 July 2023 to 30 June 2024 and includes the performance of the legacy Redrow plc Group (Redrow Group) from 21 August 2023 to 30 June 2024, to provide comparability on operational and financial performance.

Strategic priorities continued

Leading the industry in sustainability

As the leading national sustainable housebuilder, we design and build homes and communities that are resilient to climate change and are low carbon both in construction and in use. We were the first national housebuilder to set science-based carbon emissions targets and we are proud to lead the industry in this regard. Our strong reputation in the sector is highlighted by our award-winning developments, national and local socio-economic contributions, collaboration with our supply chain and across the industry, research and innovation and our investment in skills.

For more information on our sustainability targets and our performance against our framework under each pillar, visit: www.barrattredrow.co.uk/sustainability/building-sustainably

Nature

Tabley Park in Knutsford.

Waste reduction and resource efficiency remain priorities within the Group, alongside carbon reduction across homes, operations and the supply chain (see page 11 for our net zero transition plan). We focus on innovation, collaboration and high-quality design, supported by better data and reporting.

We are replacing diesel with hydrotreated vegetable oil on sites, have trialled a hydrogen telehandler, and are exploring electric plant. To improve our operational water consumption data, SMART meters are now mandatory for all new site compounds. We have a track record of delivering cost reductions on site by driving down operational waste. We reduced construction waste per 100m^2 of housebuild equivalent area by 44.7%[1] from FY20 to FY24, and we will apply the learnings from this to continue to reduce waste across the newly combined Group.

Biodiversity net gain was delivered across all regions ahead of 2024 legislation, with planning permissions in FY25 expected to achieve an 18% net gain for area habitats, 42% for hedgerow habitats and 23% for river habitats. Across the Group, 4,273 nature interventions such as bat boxes and nesting bricks have been installed (see page 6 for more information on our RSPB partnership).

To meet the growing demand for housing in the UK, we adopt MMC to accelerate build times, reduce waste and carbon emissions, and address shortages in both materials and skilled labour. From January 2025, timber frame construction became the standard approach across all Barratt house types, enhancing efficiency while delivering average life cycle embodied carbon savings of 5 tonnes per home.[2] Going forward MMC will be used on select Redrow sites where appropriate.

We also play a leading role in the Future Homes Hub, working with Government, housebuilders, supply chain and financial partners to meet climate and environmental challenges for new homes.

Places

Redrow homes at Allerton Gardens in Liverpool.

We know that our customers want places that offer sustainable living, are attractive and well designed, benefit their health and wellbeing and have a strong sense of community with excellent local links.

The timing of the combined Group and the new Government's priorities for planning and placemaking have provided us with an excellent opportunity to develop a new industry-leading placemaking vision. This will address the requirements of key policy documents and emerging guidance, while drawing and expanding on the existing placemaking frameworks of both Barratt and Redrow.

The new placemaking vision will be customer centred and focused on integrating the business' three brands seamlessly with a view to optimising sales, as well as providing confidence to stakeholders that we will deliver high-quality new communities.

We are committed to embedding accessible, inclusive and imaginative opportunities for play in every new community we create. In partnership with our charity partner Whizz Kidz, we have now launched our Inclusive Play Manual, providing guidance on delivering accessible and inclusive play environments.

We continue to promote the benefits of green mortgages, recognising the running cost advantages of new build homes. We work with lenders and government both directly and via the Future Homes Hub to align priorities and promote enhancements to new build lending criteria, processes and products.

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[1] Barratt David Wilson only.

[2] Whole Life Carbon Assessment of Homes (2022) published by the Advanced Industrialised Methods for the Construction of Homes.

Strategic priorities continued

1 2 3 4

Leading the industry in sustainability continued

People


Our Redrow graduates taking part in a community project in Flintshire.

We believe that everyone has the right to be respected and treated fairly at work. We do the right thing, nurturing diverse talent and prioritising the health and safety and wellbeing of our people and partners.

Our graduate and trade apprenticeships have seen an increase in female and ethnic minority background representation across the year, and we launched our first female-focused cohorts for Bricklaying and Carpentry Level 2 apprenticeships. We offer several training and support programmes including our Catalyst and Spotlight courses, both of which are aimed at minority groups within the business – women and ethnic minorities respectively. See pages 42 to 46 for more detail on how we support our employees.

We began our human rights supply chain risk assessment and improved monitoring and reporting of labour exploitation on our sites. See page 46 for further detail on how we are progressing our approach to human rights risk assessment and management and see www.barrattredrow.co.uk/sustainability/people/human-rights for our modern slavery statement.


Image: Stanneylands, David Wilson Homes in Wilmslow.

Benchmarks and awards

We continue to demonstrate excellent performance in external benchmarks. We maintained our position as the only UK housebuilder on the CDP Climate Change A List for Leadership, one of fewer than 500 companies worldwide, and we were listed in the second edition of the TIME "World's Most Sustainable Companies" Special Report – the only housebuilder to be named.

Supplier engagement leader in Climate

Climate – A
Water – B
Forests – B

Recognised as the most transparent housebuilder for the fifth time

Gold Award achieved for the 11th consecutive year

We are one of only two UK housebuilders to participate in the UN Global Compact

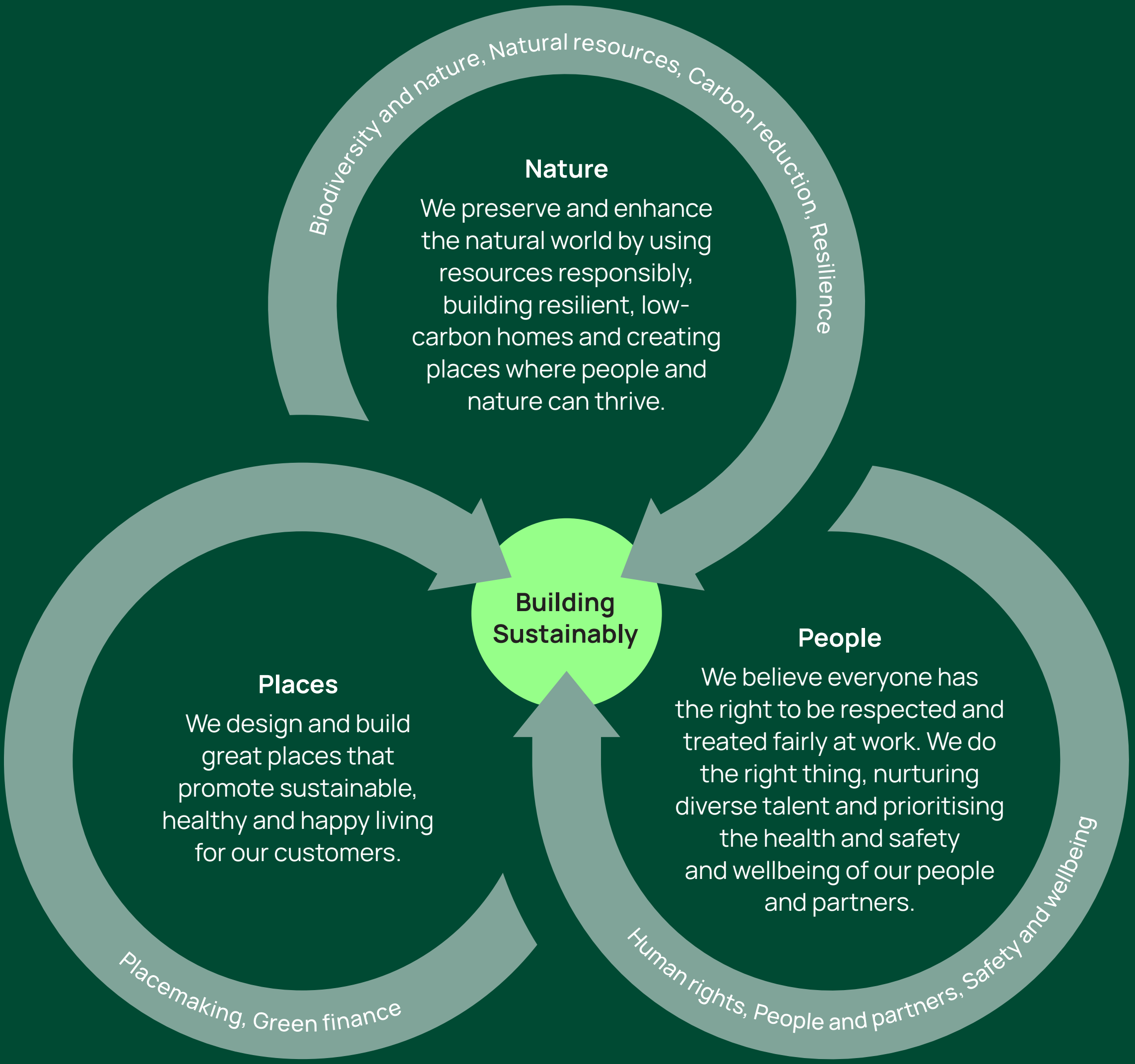
Our Building Sustainably Framework

Our Building Sustainably Framework is our response to rapidly changing political and environmental events which continue to shape how we think about sustainability. It brings together our sustainability ambitions, targets, activities and metrics to ensure that important issues and solutions are deeply rooted in every business decision and day-to-day actions we take.

→ You can find out more here: www.barrattredrow.co.uk/sustainability/building-sustainably

Regular monitoring of targets enables us to continually identify and re-prioritise areas for improvement and our carbon and waste targets are embedded in executive remuneration and bonuses. Work is underway across the combined Group to develop a harmonised strategy that reflects the strengths and opportunities across our combined businesses.

The Board oversees the Group's sustainability strategy, delivery approach and related risks, with the Chief Executive holding accountability for the strategy. The Board delegates day-to-day delivery of our framework to the Sustainability Committee, which is supported by operational cross-business working groups – see sustainability risks and opportunities on pages 74 to 82 for further detail.



Building Sustainably

Nature

We preserve and enhance the natural world by using resources responsibly, building resilient, low-carbon homes and creating places where people and nature can thrive.

Biodiversity and nature, Natural resources, Carbon reduction, Resilience

Places

We design and build great places that promote sustainable, healthy and happy living for our customers.

Placemaking, Green finance

People

We believe everyone has the right to be respected and treated fairly at work. We do the right thing, nurturing diverse talent and prioritising the health and safety and wellbeing of our people and partners.

Human rights, People and partners, Safety and wellbeing

Alignment with the UN Sustainable Development Goals

Nature

- 6 CLEAN WATER AND SANITATION
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 15 LIFE ON LAND

Places

- 7 AFFORDABLE AND CLEAN ENERGY
- 11 SUSTAINABLE CITIES AND COMMUNITIES

People

- 3 GOOD HEALTH AND WELL-BEING
- 5 GENDER EQUALITY
- 8 DECENT WORK AND ECONOMIC GROWTH

Charitable giving and the Barratt Redrow Foundation

In July 2025 the Barratt Foundation became the Barratt Redrow Foundation. The Foundation is funded by a £4m annual donation from the Company, to fulfil its purpose to help communities across the UK to thrive, focusing on children, young people, and those most disadvantaged. We are excited to roll out the benefits of initiatives such as our community fund and matched funding to our Redrow colleagues to increase the impact the Foundation has across the communities in which we operate.

Image: The East Midlands David Wilson Homes team before taking part in The Great Tommy Sleep Out.

For more information see barrattredrowfoundation.org.uk

Encouraging employee participation

Over this coming year, the Foundation will undertake a variety of activities to inspire further engagement including hosting divisional roadshows and meeting with colleagues across the business. This year, three main charity events brought colleagues together to raise money for national charities, or to give back to local communities.

Over 170 colleagues, including our Group CEO and CFO, took part in "The Great Tommy Sleep Out", braving the elements and sleeping outdoors to raise awareness and funds for homeless veterans. Over £176,000 was raised for the Royal British Legion Industries, a charity we are proud to have supported for many years.

In early April, nearly 300 colleagues travelled to either London or Leeds for our "Games for Good" – a day of physical and mental challenges in support of one of the Foundation's national charity partners, Street League. Colleagues raised £43,000, which was matched by the Group. Street League provides young people with qualifications and employability skills, essential for succeeding in the world of work. Additionally, following a pilot partnership with Street League, we are pleased to have committed to donating £750,000 over the next three years to the charity. The same is also true for another of the Foundation's national partners, OnSide, which empowers young people to lead positive, fulfilling lives.

Across the spring, our graduate cohort organised our second nationwide litter-pick campaign in partnership with CleanupUK. Over 30 litter-picks took place across our divisions with over 390 colleagues taking part.

Tackling Homelessness Fund

This year, the Foundation has launched a targeted grants programme to support charities tackling homelessness. The funding will be focused on charities that support young people and prioritise prevention of homelessness. £1m will be donated over the next three years, starting with grants to seven carefully selected charities across the UK: 16–25 Independent People, New Horizon Youth Centre, The Running Charity, The Rock Trust, EveryYouth, St Basils and Llamau. The charities operate in different regions across the UK, ensuring communities in the divisions we operate are benefiting from the funding.

Focused funding

The Foundation refined its approach to grant-making during the year to focus on multi-year commitments with six charities that align with our vision. Each charity will receive £50,000 per year for three years. All grants will be unrestricted, meaning the charities can use the funding where it is needed most. The charities we are supporting are: National Numeracy, For Baby's Sake Trust, Digital Poverty Alliance, Become, The Girls' Network and Warm Welcome Spaces. Each charity has a unique focus, but all share a commitment to supporting young people and disadvantaged communities, aligning with the Foundation's mission.

£6.7m
donated to charitable causes through the Foundation and employee fundraising

Over 500
charities supported by the Foundation

1,836
volunteer days used by our employees

£0.4m
raised by employees for charities and good causes

£0.7m
matched funding provided by the Foundation

Supporting our people

As we integrate Redrow into the business it is more important than ever that our colleagues feel supported. We also continually look for ways to ensure that our workforce is diverse and inclusive and reflects the communities in which we operate.

465

people on degree or apprenticeship programmes

74.9%

engagement score

Image: Graduate and apprenticeship programmes at Barratt Redrow.

Engaging with our employees

To ensure we collect timely feedback from our employees, we maintained six-monthly pulse engagement surveys during the year. Our April 2025 survey, the first which measured responses from the enlarged Group, showed an overall engagement score of 74.9%.

The result is lower than previous years, mainly due to the uncertainty and additional workload as a result of the integration.

We believe in transparency around engagement and share the results of the survey with our people. Line managers meet with their individual teams to discuss team results and agree actions that can be taken in response.

One result we are particularly proud of is in response to the statement "I feel good about the ways we contribute to the community", which scored 84%. This reflects our commitment to supporting both our national charity partners and local charities and good causes that are important to our colleagues through our community fund, as well as our encouragement of employees to use their two annual volunteering days.

Attracting and retaining the best talent

As we gear up for growth both within Barratt Redrow and in the wider industry, we need to ensure we are attracting and retaining the right people and skills, as well as finding ways to mitigate against skills shortages and encourage more young people to consider a career in construction.

We recognise that we have a responsibility to encourage the next generation to consider a career in the construction industry, which is why in 2021, we launched our partnership with the School Outreach Company. Through this partnership, we engage with primary schools, secondary schools and colleges to change the perception of the housebuilding industry and promote the vast range of opportunities within it. We were thrilled that this partnership was recognised by the Personnel Today Awards where it won the "Innovation in Recruitment" award in November 2024.

Attracting and retaining the best talent continued

Apprentices and graduates are also a key focus for us each year. Our graduate scheme has a robust selection process with the top candidates from thousands of applicants selected. The scheme provides a pipeline of management potential for both divisional and Group functions. Meanwhile, our apprentices work with either our divisional teams or our subcontractors to learn from experts and ensure our skills pipeline is well maintained.

Development and training are important to us, and are highly valued by our workforce. We have four degree apprenticeships delivered in partnership with Sheffield Hallam University, encompassing Construction, Quantity Surveying, Technical Design and Real Estate. In total, our apprenticeship and degree programmes included 465 participants at 29 June 2025 (FY24: 353[R]), around 6% (FY24: 6%[R]) of our workforce, highlighting our commitment to future talent development.

We also run in-house development offerings such as our Management Development Offer. The programme is designed to focus on self-awareness and handling difficult situations and is aimed at newly promoted managers and managers who have recently joined the business. 952 colleagues have already passed through the scheme which consists of a mix of virtual and in-person sessions.

Reflecting the divisional office consolidation as well as our recruitment freeze throughout FY25, our total employee turnover increased to 21% for the year to 29 June 2025 (FY24: 13%). Our target over the medium-term remains at 15%.

Share ownership amongst our employees

In April 2025, we invited all eligible employees to participate in the 17th grant under the Group's Sharesave scheme, which allows eligible employees to contribute a maximum of £500 per month in one or more Sharesave schemes. As at 29 June 2025, approximately 47.6% (FY24: 52.1%) of our employees participated in one or more of the active schemes.

Accredited Living Wage Employer

We are an accredited Living Wage Employer, and we promote the payment of the real Living Wage within our UK supply chain through our standard subcontractor terms and conditions.

Image: David Wilson Homes sales adviser at Kings Park, Macclesfield.

Our standard subcontractor terms and conditions mandate the payment of the real Living Wage within our supply chain. Where we find instances of non-compliance, we require this to be rectified. For those working in jurisdictions other than the UK, our expectation, included within our contract requirements, is that local statutory minimum wage terms are met.

Physical health and mental wellbeing

The physical and mental health of our workforce is of the utmost importance to us. We have been signatories of the Building Mental Health Charter since 2022 and a member of the Zero Suicide Alliance since 2023 and we are active members of the Home Building Skills Partnership Mental Health Awareness Group. In FY25 we also launched a new addiction and dependency support service with Six MHA. Six MHA provides support for any addiction with colleagues able to access support by phone or email or through an app. This support will be available to all colleagues across Barratt Redrow from October 2025.

Our new Employee Assistance Programme (EAP), launched in 2023, gives our workforce access to unlimited counselling sessions and a range of health and wellbeing support services including financial and legal support. In FY25, we expanded the programme further to provide enhanced provisions including 24/7 remote GP access, cancer assist, medical second opinions and physiotherapy. These services have been available to all employees across the enlarged Group since 1 July 2025.

Additionally, across Barratt Redrow, we have over 300 Mental Health First Aiders providing peer-to-peer support throughout the business. We've also partnered with the Lighthouse Construction Industry Charity to deliver "Make It Visible" site tours, bringing wellbeing advice and support directly to our site-based teams and subcontractors. In FY25, 17 sites were visited, engaging more than 400 employees and subcontractors. In the autumn of 2025, we will deliver our first tour as Barratt Redrow.

We also support our employees through a sector-leading benefits package, including pension with death in service benefit, access to discounts on fitness memberships, high street savings, the ability to purchase additional holiday, financial education and a suite of family-friendly policies.

The Group believes in inclusivity and diversity in the workplace. It is committed to giving full, fair and transparent consideration to applications for employment made by those with disabilities and ensuring continued employment of those who may become disabled during their employment. As an organisation the Group seeks to ensure that training, career development and promotion is fair in all circumstances.

Diversity and inclusion

We are committed to developing an inclusive environment.

Our diversity and inclusion strategy

Our diversity and inclusion strategy aims to promote equality of opportunity for employees and applicants alike, and ensures we have a culture where everyone feels safe to be themselves. Our strategy focuses on three areas:

Talent
Increasing our representation through the attraction, recruitment and development of diverse skills and experience at all levels.

Leadership
Taking accountability for change and creating an inclusive environment where everyone can thrive.

Attitudes
Supporting our people to understand and value difference, with respect and kindness.

Note:
R. Reported and denotes a Barratt Developments PLC Group (Barratt Group) reported metric based on the standalone performance of the Barratt Group in the comparable reporting period.

Our people continued

Diversity and inclusion continued

Our diversity and inclusion strategy continued

Each of our regions has a Diversity and Inclusion Committee, supported by the Group Diversity and Inclusion team. The Committees meet quarterly and are chaired by one of the constituent Divisional Managing Directors with each division sending its own volunteer representative, all of whom have received training. The representatives act as a voice for the employees they represent and help deliver our aim of being an inclusive employer, as well as helping the Group team identify actions needed at a regional level.

Gender and ethnic diversity

We remain committed to improving our gender and ethnicity diversity. We ensure we have gender balanced and diverse recruitment shortlists and provide inclusive hiring training for all recruiting managers. We ensure we have gender balanced and diverse recruitment shortlists. We provide inclusive hiring training for all recruiting managers and only use specified, preferred recruiters who have committed to providing balanced and diverse shortlists. Gender is reported on quarterly for each function and level across the Group.

Catalyst and Spotlight

Our “Catalyst” programme aims to address some of the barriers faced by women as they progress into senior management and leadership positions. Our “Spotlight” programme supports colleagues from ethnic minority backgrounds and provides them with a network throughout the business, exposure to senior leaders and valuable learning and insight through expert trainers.

Colleagues can apply for these programmes through a self-nomination process and both programmes deliver a range of in-person and virtual events. Alumni from these programmes have provided overwhelmingly positive feedback. The timing of the Catalyst programme in FY25 allowed us to welcome colleagues from across the enlarged Group, and we look forward to doing the same for our Spotlight programme in FY26.

As at 29 June 2025, women held 23% (FY24: 20%) of senior manager roles within the Group. The gender diversity statistics for our employee population are shown on page 45. 9% (FY24: 8%) of employees and 3% (FY24: 3%) of senior leadership were from ethnic minority backgrounds. Further information regarding the diversity (including ethnicity) of our PLC Directors and Executive Committee members can be found in the Nomination and Governance Committee Report on page 106.

Employee Networks

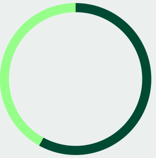
We are proud of our six Employee Networks which cover: Gender, Women on site, Ethnicity, Culture and Religion, Disability, Families (including Carers), and LGBTQ+. These networks are each sponsored by a member of the Executive Team and run multiple events across the year including virtual “tea and chats”, podcasts, face-to-face sessions and informative articles for our intranet.

Our Gender Equality Network is especially proud to have been shortlisted for a number of awards in recognition of its work supporting colleagues experiencing menopause.

Image: Shenanigans at an Employee Network Pride event.

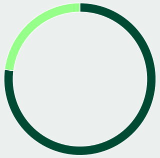
Male and female employees

PLC Directors



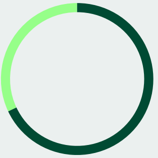
	2025	2024
■ Male	**58%**	67%
Total	**7**	6
🟩 Female	**42%**	33%
Total	**5**	3

Senior Managers



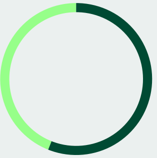
	2025	2024
■ Male	**77%**	80%
Total	**326**	265
🟩 Female	**23%**	20%
Total	**95**	67

Employees



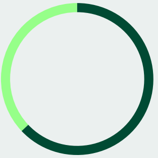
	2025	2024
■ Male	**68%**	68%
Total	**5,072**	4,007
🟩 Female	**32%**	32%
Total	**2,423**	1,922

Executive Committee



	2025	2024
■ Male	**56%**	50%
Total	**5**	4
🟩 Female	**44%**	50%
Total	**4**	4

Reports to Executive Committee



	2025	2024
■ Male	**63%**	66%
Total	**31**	25
🟩 Female	**37%**	34%
Total	**18**	13

Our people continued

Gender and ethnicity pay gap reporting

We are legally required to publish our Gender Pay Gap Report, and we also choose to publish our Ethnicity Pay Gap Report as part of our commitment to transparency for employees within our business, as well as for external stakeholders. We also held a virtual session, open to all our employees, to explain how pay gaps are calculated, the reasons behind the movements in the gaps and what we are doing about them.

As these reports are retrospective, our 2024 reports refer to Barratt Developments PLC only. Going forward we will be reporting as Barratt Redrow plc.

Gender pay gap

We saw reductions in the mean pay gap, the median pay gap and the mean bonus gap and an increase in the median bonus gap.

Lower completions in the year impacted bonuses across the business. The mean gender bonus gap decreased partly due to the level of share awards vesting for senior managers compared to 2023 and a reduced bonus payout in the year for all colleagues. Conversely, due to the majority of women in the business working in office-based roles, most of which are enrolled on the core bonus scheme, compared to around a third of the male population, the impact of the reduced standard bonus payout for colleagues had the opposite effect on the median gender bonus gap, causing it to widen. A higher proportion of women in these roles also left the business compared to men, again impacting the median bonus gap.

While our mean gender pay gap is significantly lower than the average for UK businesses (13.1%[1]) we remain committed to ensuring we encourage and recruit a diverse workforce and find and address any pay disparities.

Ethnicity pay gap

Our 2024 Ethnicity Pay Gap Report shows increases in the mean pay gap and median bonus gap and decreases in the median pay gap and mean bonus gap. With our ethnic minority population making up around 9% of our workforce, even small changes can have a significant impact on our reporting. The small increase in the mean pay gap was due to leave (including maternity and sick) being taken by those from ethnic minority backgrounds who had a proportionally higher mean hourly rate.

To help address discrepancies we continue to work with hiring managers to ensure shortlists are diverse and balanced. It is also important that we lay the ground for a diverse workforce in the future by developing a diverse talent pipeline now. As such, our graduate and trade apprenticeships have seen an increase in female and ethnic minority background representation across the year and we launched our first female-focused cohorts for Bricklaying and Carpentry Level 2 apprenticeships. We continue to run our industry-leading Catalyst and Spotlight programmes which support females and those from ethnic minority backgrounds respectively.

To read more about our Gender Pay Gap Report, visit here: www.barrattredrow.co.uk/~/media/Files/B/Barratt-Developments-V2/footer-quicklinks/barratt-redrow-gender-and-ethnicity-pay-gap-report-2024.pdf

Image: David Wilson Homes staff on site at Kings Park, Macclesfield.

Gender pay gap results[2]

	2024	2023
Mean pay gap	7.8%	9.6%
Median pay gap	6.7%	7.4%
Mean bonus gap	14.3%	22.7%
Median bonus gap	15.1%	-7.7%

Ethnicity pay gap results[2]

	2024	2023
Mean pay gap	7.5%	6.6%
Median pay gap	2.3%	3.6%
Mean bonus gap	28.8%	31.9%
Median bonus gap	29.5%	16.3%

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[1] www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2024.

[2] Results from our Gender and Ethnicity Pay Gap Report 2024.

Our people continued

Human rights and modern slavery

We are committed to respecting human rights across our business operations and in our supply chain. Our human rights framework, including our policy, strategy and workplan, has been developed in line with the International Bill of Rights, the UN Guiding Principles on Business, the OECD Due Diligence Guidance for Responsible Business Conduct and the UK Modern Slavery Act 2015.

This year we focused on:

- reinforcing the importance of human rights within our business;
- identifying key areas of impact and risk in our material supply chain and in on-site labour; and
- strengthening human rights controls within existing processes.

Accountability and responsibilities for delivery of our human rights strategy are formalised in our governance structure, and our human rights policy is due to be published externally later this year. Our Executive sponsored Human Rights Steering Committee was launched during the year to provide ongoing oversight of the human rights strategy. During the year we also launched new online training to address modern slavery. This training is mandatory for a wide cohort of employees including the Construction, HR, Commercial and Procurement teams and all Heads of Functions.

We completed a screening of our material suppliers, prioritising those identified as being exposed to greater risk of negative impacts in their supply chains taking into account the type of industry and sourcing routes.

In relation to our sites, internal cross-functional collaboration has delivered stronger controls around incident and grievance reporting, and subcontractor contracting. We commissioned independent expert reviews of subcontractor employment arrangements at three of our sites to help us better understand the impacts and risks associated with on-site labour. We will extend this to additional sites during FY26.

Anti-bribery

We have a strict Anti-Bribery and Corruption Policy and conduct our business in a fair, open and transparent manner. All our employees are required to undertake regular training on our Anti-Bribery and Corruption Policy, and it is a condition of all our supplier and subcontractor contracts that they comply with the Bribery Act and this policy.

Our Anti-Bribery and Corruption Policy can be viewed at: www.barrattredrow.co.uk/~/media/Files/B/Barratt-Developments-V2/documents/policies-and-reports/anti-bribery-and-corruption-policy.pdf.

Image: Graduate and apprenticeship programmes at Barratt Redrow.

Non-financial and sustainability information statement

This information is intended to help stakeholders understand our position on these key non-financial matters. We have considered these non-financial matters and disclosed in the relevant sections, when determining what information should be included in the Annual Report and Accounts, the information needs of different stakeholders and their relative importance as well as the relevant time horizons in each matter. The following complies with the non-financial reporting requirements contained in Sections 414CA and 414CB of the Companies Act 2006.

Description of the business model

Social matters

Employees

Human rights

Anti-bribery and corruption

Environmental matters

Policy, due diligence and outcomes

Promoting long-term success through stakeholder engagement

Stakeholder relationships are a key source of value and promote the long-term sustainable success of the Company.

Stakeholder engagement plays a key role in the development and execution of our strategy and is critical to achieving long-term sustainable success. We are committed to high standards of corporate governance and making sure that the principles set out in Section 172 of the Companies Act 2006 are embedded in our culture and all that we do as a Company. On the following pages we set out how we as a Board engage with our stakeholders and ensure that all stakeholder views, whether positive or negative, are understood and embedded into our discussions and decision-making process.

→ You can read about how we have paid due regard to the Section 172 principles on pages 49 and 50

Image: Barratt Redrow Town Hall August 2025.

As a Board we review the Company's key stakeholders on an annual basis to ensure that they remain appropriate and consider whether there are other stakeholder groups whose views should form part of our discussions. To ensure that engagement remains effective, we also review key metrics and performance indicators for various engagement activities. During the year, we considered stakeholder engagement as part of the Board evaluation process and, whilst satisfied that engagement remains effective for fostering business relationships, agreed actions to further enhance direct engagement between Board members and the Company's key stakeholder groups.

Most day-to-day decisions and stakeholder engagement activities are carried out by members of our Executive Committee and senior management team. Our values, as set out on page 1, are closely aligned to the Section 172 principles and are embedded in our culture, ensuring that our key stakeholders and the Section 172 principles are considered during the decision-making process at all levels of the business.

We appreciate that there may be times when conflicts arise between different stakeholder groups and that it is not always possible to provide positive outcomes for all. In such circumstances, we seek to understand the needs and priorities of each stakeholder group and make the decision from the perspective of the long-term sustainable success of the business.

Lauren and Ollie celebrate their engagement in their new home at David Wilson's Winnycroft development in Matson.

Our key stakeholders

Whilst we engage with a wide range of stakeholders in the day-to-day running of our business, our key stakeholders are those that are significantly affected by our actions and decisions and those whose actions and decisions significantly affect our business model and strategy. With this in mind, our key stakeholders are:

- Our Customers
- Our Employees
- Our Shareholders
- Our local communities
- Our suppliers
- Government, opposition parties and regulators
- Banks

→ Read more about how we engage with each of these stakeholders on pages 51 to 58.

Section 172 Statement continued

Section 172 principles

How we applied the principles in FY25

The likely consequences of any decision in the long term

Relevant disclosures

- Business model: pages 20 and 21
- Trends in our market: pages 14 to 19
- Building sustainable homes for the future: pages 10 and 11
- Our principal risks and risk management: pages 66 to 73
- Climate-related risks and opportunities: pages 74 to 82
- Viability Statement: pages 83 and 84

The interests of the Group's employees

Relevant disclosures

- Investing in our people: pages 42 to 46
- Employee engagement: pages 52 and 53
- Our purpose and values: pages 1 and 95
- Our culture: pages 95 to 97
- Whistleblowing: page 121

The need to foster the Group's business relationships with suppliers, customers and others

Relevant disclosures

- Business model: pages 20 and 21
- Stakeholder engagement: pages 51 to 58
- Our values: pages 1 and 95
- Non-financial and sustainability information statement: page 47

The impact of the Group's operations on the community and the environment

Relevant disclosures

- Climate-related risks and opportunities: pages 74 to 82
- Our purpose and values: pages 1 and 95
- Stakeholder engagement: pages 51 to 58
- SHE Committee Report: pages 122 and 123
- Building sustainably: page 40
- Charitable giving: page 41

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

Relevant disclosures

- Our purpose and values: pages 1 and 95
- Culture: pages 95 to 97
- Non-financial and sustainability information statement: page 47
- Business model: pages 20 and 21
- Internal controls: page 111
- Human Rights and Modern slavery: page 46
- Risk management: pages 66 to 73
- SHE Committee Report: pages 122 and 123
- Audit and Risk Committee Report: pages 111 to 121

The need to act fairly as between shareholders of the Company

Relevant disclosures

- Resolutions proposed at the AGM: pages 149 and 150
- Capital allocation: pages 63 and 64

Decision making in practice

How we make decisions

Input

Output from stakeholder engagement.

Proposals with detailed papers setting out key matters to be considered.

Input from external advisers.

→

Decision-making process

Our diverse skillset facilitates robust challenge of matters put to the Board.

We consider and debate the various inputs and ensure that proposals align with the Company's purpose and strategic objectives and fall within its risk appetite.

The Non-Executive Directors provide independent oversight to safeguard stakeholder interests.

→

Output

Decisions that promote the long-term success of the Company and for the benefit of our members as a whole.

Section 172 Statement continued

Decision making in practice

Entering into the MADE Partnership.

Image: Stephen Kinsella, Group Major Projects Director with our Major Projects team, which manages MADE Partnership LLP.

Significant decisions

The main activities and decisions of the Board during the year are set out on page 94. Below is an example of a significant decision taken by the Board during the year, including the key inputs that informed discussions, stakeholder considerations and the outcome of that decision.

Decision

On 9 September 2024, the Board agreed to enter into a joint venture with Homes England and Lloyds Banking Group to create the MADE Partnership, an entity that will focus on the master development of large sites, to deliver thousands of much needed new homes across the country.

Key inputs:

- Detailed Board papers setting out the strategic rationale, current market conditions and appetite for master developers, risk analysis and stakeholder considerations.
- Counsel from external advisers on tax and legal matters.

Stakeholder considerations

The Board discussed entering into the joint venture on a number of occasions prior to giving their approval, with due regard given to the following stakeholder considerations.

Government, opposition and regulators:

- The Government and opposition's commitment to ramp up housing supply and boost economic growth.
- The increasing preference of local planning authorities to allocate very large sites to meet their housing requirements.
- Homes England's strategic plan to grow the master developer sector, and use its land, funding and powers to deliver ambitious development and regeneration projects.
- The need for ministerial approval to ensure that the deal protects Homes England's long-term interests as a public body.

Local communities and environment:

- The need for residential-led developments with a variety of community facilities and employment uses.
- The preference to develop large brownfield sites, as well as new garden village style communities, to minimise impact on existing infrastructure.
- The guiding principles that would govern the way the Partnership would operate, with focus on affordable housing, sustainability, quality of design, placemaking, promoting modern methods of construction, social value, community engagement and supporting SME housebuilders.

Customers:

- Providing greater customer choice by enabling both major and SME homebuilders to build the new homes and communities.

Banks:

- The role of the Lloyds Banking Group as a major investor in UK housing including traditional loan funding for housebuilders/developers, its SME residential developer focused equity investment platform (Housing Growth Partnership in joint venture with Homes England), its ambitious in-house private rental sector business (Lloyds Living) and its investment in housing via its position as the largest UK mortgage lender.

Shareholders:

- The need to create value for shareholders.

Outcome

Following its incorporation, MADE Partnership LLP has:

- been selected to support Cheshire East Council to deliver its vision for the 1,500-home Handforth Garden Village;
- started work with Tameside MBC to deliver Godley Green Garden Village, with the potential to bring 2,150 much needed homes to the area; and
- won Deal of the Year in the 2025 RESI Awards.

Customers

It is important that we listen to our customers so that we can meet their needs and deliver the high standards of quality and service they expect.

How we engage

Company engagement:

- Review responses to Trustpilot and National New Homes Customer Satisfaction Surveys.
- Utilise social media to attract customers and drive traffic to our online resources.
- Conduct focus groups to identify design features and benefits that customers value.

Board engagement:

- The Board receives annual updates on the customer journey from the Chief Executive and the Sales and Marketing Director, covering customer engagement and experience.
- The Board receives updates on customer satisfaction ratings, resolutions and insights.
- During the year the Board were updated on the new HBF scoring system, its potential impact on, and the action required to maintain, the Group's five-star status.

How we measure effectiveness

We use our customers' willingness to engage with us and various satisfaction scores to measure the effectiveness of our engagement.

5 Star
on the eight-week HBF National New Homes Customer Satisfaction Survey for the 16th consecutive year

4.4
Trustpilot score (FY24: 4.4)

Over 2,800
interactions with in-market consumers

Engagement in action

Key themes from customer feedback include affordability, quality, aesthetics, the need for clear communication in marketing, and the importance of nature and biodiversity.

The following case studies show how we shape our business by responding to feedback from our customers.

Customer voice at the heart of our new house type portfolio

An online study involving over 2,000 in-market consumers provided clear insight for design preferences for windows, doors, lintels and brick design. A follow-up study in late 2024 explored new designs, floorplans and elevations, with feedback from over 1,000 consumers incorporated into our design decisions, ensuring our designs remain relevant and respond to customers' appetite and needs.

Understanding the "Bank of Family"

Engaging with our customers has helped us better understand how family members help our customers purchase their first home. Our findings revealed that most first-time buyers depend on family assistance, usually in the form of a gifted deposit.

These insights helped us refine our Parent Power scheme and ensure communications resonate with both first time-buyers and their families.

What is Parent Power?

With our Parent Power scheme, whatever a prospective customer's family or friend contributes, we could match it up to a maximum of £15,000 off the purchase price of our homes.


Barratt Homes at Hollygate Green in Cotgrave.

Customer insight and product implementation

We are trialling a façade system at our Hollygate Park development in Cotgrave, as a way of offering a sustainable alternative to traditional brick.

The brick façade provides sustainability benefits and enables quicker installation, greater design flexibility, and reduced structural loads, making it a practical, future-ready solution to help address skills shortages in the industry.

A customer focus group held on site strengthened our understanding of customer views on façades and revealed that customers were mostly positive about aesthetics and perceived quality control as the most valued benefit. They also sought assurance on durability and noted the importance of clear communication in marketing. This feedback has been shared with our Sales and Marketing team so that we can address customer concerns in these areas.

> "I didn't even realise it wasn't real brick. It's really innovative and forward thinking."
>
> **Ami-Lara (first-time buyer)**

Employees

Colleagues are more productive, committed, innovative and satisfied in their work when they feel engaged with the Company's purpose, strategy and decisions.

How we engage

Company engagement:

- Our Workforce Forum enables effective two-way engagement.
- Our Place intranet, emails, newsletters, webinars and video messages allow us to cascade information quickly.
- Townhalls enable us to disseminate important information on a more personal level.
- Pulse surveys help us understand what matters most to our colleagues.

Board engagement:

- Nicky Dulieu, as the new Designated NED for Workforce Engagement, will provide updates on workplace matters.
- The Board receives regular updates on:
  - health and safety matters; and
  - the output from pulse surveys, the people strategy and diversity and inclusion.
- The Board attends individual and collective site visits.
- Members of the Board mentor high-potential employees.

How we measure effectiveness

We measure the effectiveness of our engagement by the willingness of employees to respond to engagement surveys, attend engagement events and raise issues. Our IIR rate also shows the effectiveness of our health and safety briefings and procedures.

67%
completion rate for the pulse survey

272
injury incidence rate per 100,000 persons

56
reports by whistleblowers

c. 2,600
colleagues joined townhall events

Engagement in action

Our pulse surveys offer essential insights into the perspective of our workforce and allow them to contribute ideas and suggestions on how we operate. During FY25 we ran two pulse surveys to assess the level of engagement of our workforce and the results below reflect both sets of responses.

What our colleagues think we are doing well:

- Linking the work they do to the Company's objectives.
- Creating a culture where people of diverse backgrounds can succeed.
- Supporting our people.
- Supporting our local communities.

More than

84%

of our colleagues are proud to work at Barratt Redrow

Areas our colleagues would like us to improve:

- Co-operation and collaboration between different teams.
- Transparency on the changes made in response to employee feedback.
- Clarity on career opportunities in the enlarged Group.

Taking action

To address areas for development identified through the pulse surveys we produce action plans at each level of the business.

Repeat

We do it right.

Talk

The results of pulse surveys are discussed at each level of the organisation.

We do it together.

Plan

Action plans are developed at each level of the organisation.

We make it happen.

Act

We act on ideas and try them out, review them and keep the conversation going.

Image: Our Network Chairs event in July.

Stakeholder engagement continued

Link to values We do it for our customers We do it right We do it together We make it happen

Employees continued

Below are examples of action plans developed at divisional, regional and Group level to improve co-operation and collaboration and reinforce our value "we do it together".

West Scotland division

To improve collaboration a team of key stakeholders started to meet monthly to identify actions for shared goals and deliver agreed initiatives.

The team arranges drop-in sessions where departmental representatives explain their key deliverables and how they are reliant on collaboration and input from other departments.

Key learnings: The importance of maintaining momentum and keeping meetings interesting and topical.

Measuring impact: Drop in sessions are well attended by employees from all departments.

Northern region

To encourage line managers to take ownership and accountability the region has worked with its middle managers to ensure that they understand the role they play in facilitating collaboration across the region.

Discussions were held on accountability and the power middle managers have to drive engagement and collaboration. Managers then set actions for their respective teams.

Key learnings: The importance of clarifying the role of middle managers in engagement and collaboration.

Measuring impact: Engagement scores across the region have risen, particularly in the Yorkshire East and Yorkshire West divisions.

Group

At Group level the action plan to improve collaboration included implementation of a one-day, face-to-face learning and development session, available to all colleagues, to:

- develop their mindset and skillset for impactful collaboration;
- discover strategies to foster intentional and meaningful collaboration; and
- gain hands-on experience with tools and techniques for better cross-departmental collaboration.

Workforce Forum

Our Workforce Forum is an important tool for providing insight to what matters most to our employees. During the year, a key area of interest was the integration of Redrow and the subsequent restructuring of our business. Forum members expressed the uncertainty felt by them and their colleagues and the impact this was having on morale within the teams. In response, we updated our colleagues on key milestones during the integration process to alleviate some of that uncertainty and maintain trust and transparency. Our Pulse Survey scores indicated that our colleagues appreciated the level of communication around the integration. Other topics discussed during the year included the Company's benefits package where members identified the benefits that they valued most to help inform which would be harmonised across the enlarged Group. Executive remuneration was also considered as part of this discussion. In addition, the Workforce Forum considered the content and readability of the new Code of Conduct for the combined Group which is due to be launched later this year.

With the appointment of Nicky Dulieu as the Designated Non-Executive Director for Workforce Engagement, we took the opportunity to assess the Forum's effectiveness. Consequently, with effect from September 2025, Nicky Dulieu took over as Chair of the Workforce Forum from David Thomas and Steven Boyes. Nicky has considered the format of the meetings and is keen to ensure that discussions at the Workforce Forum meetings remain open, honest and transparent and that colleagues continue to have the opportunity to provide constructive feedback on how the Company can further improve and remain a place where colleagues want to come and work. Feedback will be presented to management for them to consider what, if any, suggestions can be implemented or action taken. Nicky will also report to the Board after each Workforce Forum meeting on the topics discussed, the feedback received and any proposed response. We are also considering the composition of the Workforce Forum to ensure that the membership continues to be a fair and diverse representation of the enlarged Group.

Sally Austin, our Group HR Director will support Nicky at each of the Workforce Forum meetings, however members will have the opportunity to discuss issues with Nicky directly in a private session. This will be held towards the end of each meeting without management being present. Employees also continue to have access to the designated confidential email address through which they can contact Nicky directly at any time on work place related matters.

In FY26, we will look to arrange for Nicky to participate in other employee engagement events, so that she is able to gain broader insight into our employees and what matters most to them.

Nicky Dulieu, Designated Non-Executive Director for Workforce Engagement.

Designated Non-Executive Director for Workforce Engagement

Following her appointment in October 2024, Nicky Dulieu assumed the role of Designated Non-Executive Director for Workforce Engagement, succeeding Caroline Silver, to strengthen and facilitate ongoing communication between the Board and our employees.

Making positive change through the Workforce Forum

Following Forum discussions, in FY25 we have launched a one-day face-to-face learning and development session to help colleagues navigate the changes being made to the business. The sessions are open to all colleagues to help them learn how to approach change and develop a support network to navigate change successfully.

Shareholders and investors

We engage with our shareholders and the wider market to retain long-term investment, attract new investors and respond to shareholder needs.

How we engage

- Investor roadshows in the UK, Europe and North America.
- Individual investor meetings.
- Responding to individual shareholder queries.
- Visits to our developments and production facilities for shareholders, potential investors and analysts.
- Shareholder circulars.

Board engagement:

- Monthly updates from the Group Investor Relations Director.
- Our Chair and Non-Executive Directors make themselves available for meetings with shareholders to discuss the Group's strategy, performance and ESG matters.
- Our Chair wrote to our top 20 shareholders and invited them to meet and discuss governance matters and topics of interest to them. In addition, our Chair of the Remuneration Committee wrote to the Top 25 shareholders and the proxy voting agencies inviting them to engage on remuneration matters.
- Our Chief Executive updates shareholders on our annual performance and current trading at our Annual General Meeting, where all Board members are also available to answer questions.

How we measure effectiveness

We measure the effectiveness of our engagement by the % of our share register that voted at the AGM, the % of our shareholder base engaged throughout the year and the volume of investors meetings and individual investors met.

69.97%
of the share register voted at the 2024 AGM

57.8%
of shareholder base engaged with Barratt Redrow in FY25

182
meetings with investors

550
individual investors met

Engagement in action

Shareholder key areas of interest include capital allocation, brand and product differentiation, the financial impact of issues relating to legacy properties and the CMA investigation.

The following examples show how we have responded to shareholder feedback during the year.

Dividend strategy and future capital allocation

The Board sought the views of our principal shareholders of changes to the dividend policy, share buyback activities and wider capital allocation.

After careful deliberation of business plans and shareholder feedback, the Board adjusted the Group's dividend cover from 1.75 times to 2 times adjusted earnings from FY26 and approved a £50m share buyback programme for the second half of FY25. A further share buyback programme with the intention of buying back at least £100m of shares per annum was agreed. An initial tranche of £50m share buyback commenced in July 2025 to be completed no later than the end of December 2025.

Brand and product differentiation

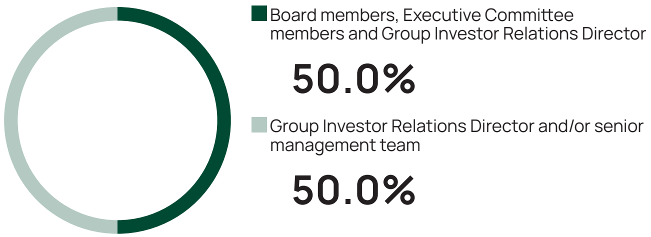
A number of shareholders and analysts have expressed an interest in the brand differentiation and wider house type appeal across our three brands.

As a result, visits for shareholders and potential investors are being arranged where our differentiated brands and their respective sales centres can be viewed and appraised.

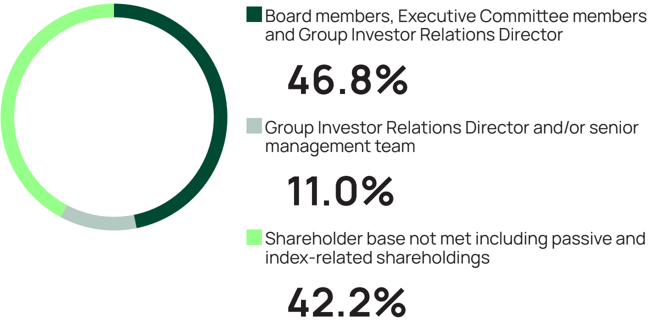
Targeted share dealing programme

Our Registrars highlighted frustrations felt by some retail shareholders unable to sell their small shareholdings due to cost prohibitive minimum transaction fees. To address this, we offered a targeted share dealing programme to 10,000 of our smallest shareholders to provide a convenient and cost-efficient sale option.

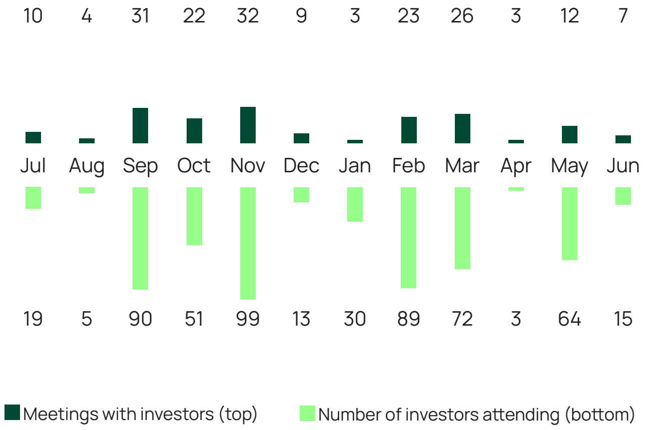
Investor meetings attended



Shareholder base meeting engagement



Investor interactions in FY25



Stakeholder engagement continued

Link to values We do it for our customers We do it right We do it together We make it happen

Communities and environment

Engagement with local communities is essential in building trust and fostering support to secure planning permission.

How we engage

Company engagement:

- Meetings and site-specific consultations.
- Working closely with local community members including schools and parish councils.
- Dedicated signage and websites with information and updates on our sites.
- Charitable giving, volunteering and fundraising.

Board engagement:

- The Chief Executive and the Chief Operating Officer inform the Board of any local issues that could escalate into Group-wide issues.
- The Board receives updates from the Group Construction and SHE Director, the Sustainability Committee and the Barratt Foundation.
- The Board receives feedback from charities on the impact of our support.

How we measure effectiveness

We measure the effectiveness of our engagement by the extent of local opposition to our developments, the level of planning appeals and the impact of our donations and volunteering activities on local communities.

14,551	**£6.7m**	**13,767**
planning consents secured (plots)	donated to local charities	hours volunteered

Engagement in action

Local communities are mostly concerned with the affordability of new homes and the impact of new developments on the local area including the additional strain on existing infrastructure.

Our Environmental Policy sets out our overarching commitment to mitigate the adverse impact of our operations on the environment and the communities in which we operate. We are committed to minimising noise levels and traffic movements during construction, pollutant emissions and disturbance to wildlife habitats and local ecosystems. Our Board reviews and approves our Environmental Policy every year to ensure it remains appropriate.

Reaching broader demographics

Our redevelopment of the former Padgate Campus in Fearnhead, Warrington, aims to deliver c. 400 low-carbon homes designed to the Future Homes Standard, with new public open space, cycle paths, walkways, and a minimum 10% biodiversity net gain.

To engage the whole community in our development plans, we took a hybrid approach to the consultation process, enhancing traditional methods with digital elements to reach as broad an audience as possible.

The development launched a dedicated website and used targeted social media adverts to drive traffic to the online resources. To mirror in-person events, the team created a virtual exhibition, allowing people to explore the plans online. This was followed by a webinar and an online drop-in session to provide updates on the plans and answer questions.

This digital approach brought a broader demographic into the process, and prompted c. 450 suggested improvements, and over 300 enquiries from people interested in buying a new home. This insight allowed us to revise the plans to resolve concerns and improve the new development for the local community.

Responding to local needs

Our site in Knowsley had previously been earmarked as the new home for Everton Football Club, so had been subject to significant political and media attention.

Early engagement was key to building trust and fostering support from the community to secure planning permission for 807 new homes. Our Barratt David Wilson colleagues worked closely with local residents, businesses, community groups and local authorities, to design a development that met their needs and aspirations.

Community concerns included the impact on local infrastructure, such as schools and health services. In response, we committed to contributing £816,769 to increase GP capacity, £4.4m for secondary school places, and £1.9m for public open space and tree planting.

This collaborative approach highlighted the importance of early, inclusive engagement and was well received by Knowsley Council's Planning Committee which approved the development.

Image: A CGI representation of our Cherryfields development in Knowsley.

Suppliers and subcontractors

Engaging with our subcontractors and suppliers helps secure a continued supply of materials at appropriate prices and develop shared solutions to industry challenges.

How we engage

Company engagement:

- Annual Supply Chain Conference with key Group suppliers.
- Divisional subcontractor and supplier days.
- Supplier and subcontractor workshops, meetings and seminars.
- Informal charity events to strengthen relationships.

Board engagement:

- The Chief Operating Officer provides an update on our supply chain at each Board meeting.
- The Group Procurement Director attends Board meetings to update on suppliers and supply chain risk.
- The Board reviews and approves the Modern Slavery Statement, which sets out actions taken to mitigate the risk of modern slavery in our supply chain.
- Ibstock plc's CEO and Electrolux's VP Sustainability (Europe, APAC & MEA) have attended our Sustainability Committee to share ideas and innovation to drive sustainable practices and deliver quality homes.
- The Sustainability Committee oversees the Company's sustainability strategy, including the approach to human rights and modern slavery risk which is extended to our supply chain.
- The Audit and Risk Committee scrutinises modern slavery risk and the mitigating actions taken.

How we measure effectiveness

We measure the effectiveness of our engagement by the number of suppliers and subcontractors willing to engage and work with us to drive our sustainability agenda and maintain high standards of safety and build quality.

188
attendees at our Annual Supply Chain Conference

150
suppliers with membership of the Supply Chain Sustainability School

Over 45
supplier and subcontractor divisional events

Engagement in action

Key themes include timely payments and the Group's new payment system, sustainability and carbon reduction strategies, skills shortages, health and safety and quality expectations.

The following examples show how we have worked with our subcontractors and suppliers over the year to support productivity levels and maintain high standards of quality.

Navigating a new payment system

In April 2025, we moved supplier and subcontractor payment processing to a shared service centre and introduced new software to automate key parts of the payment process. While the implementation presented some initial challenges, we have been working closely with our supply chain to ensure any impact from the transition is managed appropriately. We continue to maintain an open dialogue with our suppliers as these new processes are embedded.

70%
of invoices paid within 30 days for the period 1 January 2025 to 30 June 2025 (1 January 2024 to 30 June 2024: 68%)

79%
of invoices paid within 30 days for the period 1 July 2024 to 31 December 2024 (1 July 2023 to 31 December 2023: 77%)

Clarifying expectations

Our Kent division hosted a groundworks seminar to support key information on quality assurance, material management and ground preparation for quality landscaping.

The seminar enabled clear communication of our expectations, and the topics covered supported our values by focusing on areas that matter to our customers, such as garden drainage, landscaping preparation and developing infrastructure to a quality standard.

Working together

Our West London division is working in partnership with O'Halloran & O'Brien Ltd and the London Borough of Merton on an initiative to train and employ steel fixers on our developments.

The talent pool is selected from the local area and involves two labour agencies providing suitable candidates who are employed directly by the subcontractor.

The success of this initiative has led to it being rolled out at other locations and West London is now exploring similar initiatives with other trades.

> "The relationships across all levels of the business are quite profound. It's a people business and we solve problems together."
>
> **Joe Hudson**
> CEO, Ibstock

Ibstock
At the heart of building

Government, opposition parties and regulators

It is essential to engage with Government, opposition parties and regulators, so that we can work together to build the high-quality homes the country needs, overcome challenges and develop effective policy and regulation.

How we engage

Company engagement:

- Holding memberships in organisations that facilitate engagement with political stakeholders.
- Meetings and correspondence with political stakeholders.
- Hosting site visits.
- Participating in policy consultations.

Board engagement:

- Meetings between our Chief Executive, Chair and other Executive Members with senior politicians.
- Our Chief Executive chairs the Future Homes Hub which facilitates collaboration between businesses in the new homes sector and the Government. He is also a member of the Government's Net Zero Council that advises the Government in the development of its net zero strategy.
- The Chief Executive provides updates at each Board meeting on engagement activities, including the extent that policy and legislative changes accord with our representations.

Find out more about the Future Homes Hub by visiting its website: www.futurehomes.org.uk

How we measure effectiveness

The effectiveness of our engagement can be determined by the interest from key political stakeholders in visiting our sites to learn more about our business and the opportunities extended to members of our leadership team to participate in Government initiatives to address climate change and the housing shortage.

Engagement in action

Supply and planning

The Government has set what we believe to be an ambitious target to build 1.5m homes and has identified the planning system as the main blocker to new homes and economic growth. We support Government action to reform the system, through a revised National Planning Policy Framework, and other legislative changes.

Energy efficiency and reducing carbon emissions

Barratt Redrow continues to invest in improving the energy efficiency of its new homes, and preparing for the Future Homes Standard. This includes sharing lessons from industry-leading research projects, such as the Energy House 2.0, and engaging Government to ensure a successful transition to zero carbon homes.

Construction quality

The Board recognises construction quality as a principal risk and takes appropriate steps to ensure that Barratt Redrow maintains an unwavering attention to build quality.

For a sixth consecutive year, we were rated industry leader among the major housebuilders by the NHBC, registering the lowest Reportable Items per NHBC inspection at 0.12.

We monitor and publicly report on our quality performance, and our Remuneration Committee uses this information to feed into appropriate quality-related metrics for our Executive Annual Bonus Plan.

Chancellor Rachel Reeves, Matthew Pratt and Tim Stone at our Maes yr Haf development.

Building homes, creating jobs and driving economic growth

In March 2025, Chancellor Rachel Reeves visited our Maes yr Haf development at Plasdŵr, near Cardiff, to talk about the importance of new homes, economic growth and skills.

Building 1.5m homes is central to the Government's economic plans, with the OBR highlighting the positive impact of planning reform and new home development on the UK's future growth.

The visit was an opportunity to highlight the challenges the industry faces as well as showcasing our commitment to building high-quality homes and places, creating good jobs and unlocking investment in local communities.

Banks

Engaging with our banking partners and mortgage providers is key to ensuring that we have sufficient finance and working capital to support the business and helping mortgage lenders understand our business to better support mutual customers.

How we engage

Company engagement:

- The Chief Financial Officer and Group Treasurer regularly engage with each bank in our RCF and USPP investors, including calls after each trading update and financial results announcements, and at least one site visit each year.
- Supported by the Executive Directors, our Head of Mortgage Lender Relations holds regular meetings with the top ten mortgage lenders and others.

Board engagement:

- The Chief Financial Officer and the Chief Executive provide regular updates on engagement activities with RCF banks and mortgage lenders, and on resulting actions.

How we measure effectiveness

We measure performance by the banks' willingness to lend to us and to engage with us and discuss new opportunities to support us and our customers.

£700m
committed RCF

£200m
fixed rate Sterling USPP notes

5
mortgage lenders now lend more to customers buying new build homes or homes with an A or B energy performance rating

Engagement in action

The following examples show how we work with mortgage lenders and our banking partners to help them better understand our business and the new build market.

Working with our partnership banks to help them understand our business

Supporting net zero commitments

Our lenders' key areas of interest include sustainability and how they can support their own zero carbon commitments, modern methods of construction, our triple-brand sales proposition and the impact of planning reforms on our business.

To promote understanding of our medium-term strategy and our triple-brand offering, representatives from five of our partnership banks attended our Capital Markets Day in February 2025 and met with members of the Board.

Our Head of Corporate Sustainability also provided our lenders with a tailored update on our sustainability initiatives and we hosted a site visit for lenders to our Oregon factory in Derby to develop their understanding of modern methods of construction.

Working with mortgage lenders to support our customers

Higher lending for customers

Our Head of Mortgage Lender Relations has worked extensively with the top ten mortgage providers over the last five years to help them better understand the new build market and associated risks, resulting in lenders being willing to lend more for new build homes.

2020
85%
average LTV for new build house amongst the top ten mortgage lenders

2025
92%
average LTV for new build house amongst the top ten mortgage lenders

Energy-efficient homes

As the leading national sustainable housebuilder, we continue to work with mortgage lenders to help develop enhanced mortgage products that recognise the advantages of new build energy-efficient homes. We are liaising with the working group for Zero Bills, which is seeking to influence lender sentiment regarding new builds generally, and green mortgages specifically, to provide lenders the information they need to better understand the impact of zero bills homes. To support the working group we have conducted energy house visits for 32 people representing various lenders, surveyors and brokers.

Solid financial performance

Introduction

Against a challenging market backdrop, we have delivered a solid financial performance this year. While Group total home completions came in slightly below our previous guidance, primarily due to the impact of fewer international and investor completions than expected in London, we delivered adjusted profit before tax slightly ahead of market expectations. This mainly reflected the better than anticipated delivery of cost synergies, at £20m, relative to our initial estimate of c. £10m in October 2024.

We are already seeing tangible benefits from the Redrow acquisition with good progress on integration activities: our new divisional management structure is in place, six divisional offices have been closed and three are in the process of closing and we are delivering cost synergies ahead of schedule with our plans for revenue synergies progressing well.

Our strong balance sheet and disciplined approach to capital allocation allowed us to announce an annual share buyback programme of at least £100m from FY26, with a £50m tranche of that programme executed in the second half of FY25.

Results for the 52 weeks to 29 June 2025

To help improve the comparability of the enlarged Group's performance since the acquisition of Redrow plc on 21 August 2024, in this report we have presented, in addition to comparative numbers as reported for the prior financial year, unaudited metrics on an aggregated basis, which includes the performance of the legacy Redrow plc group (the "Redrow Group") from 24 August 2023 to 30 June 2024, excluding accounting policy and purchase price allocation adjustments. Purchase price allocation adjustments relate to the unwind through the income statement of fair value adjustments made to the balance sheet of Redrow plc when it was acquired by the Group under IFRS 3 *Business Combinations*.

		Year ended 30 June 2024	
Metric	**52 weeks to 29 June 2025**	Aggregated performance including Redrow plc from 24 August 2023[A]	Reported performance (excluding Redrow plc)
Total home completions	16,565	17,972	14,004
Revenue (£m)	5,578.3	5,689.9	4,168.2
Adjusted gross profit (£m)	875.2	973.2	689.0
Reported gross profit (£m)	784.8	793.7	509.5
Adjusted profit before tax (£m)	488.3	585.7	385.0
Reported profit before tax (£m)	273.7	363.2	170.5

Home reservation activity

Our net private reservation rate per sales outlet per week increased by 16.4% to 0.64 when compared with the aggregated performance of 0.55[A] for Barratt and Redrow in the comparable period (FY24: 0.58[R]). This included a contribution of 0.08 (FY24: 0.08[R]; 0.06[A]) from reservations into the private rental sector ('PRS') and other multi-unit sales.

As well as our ongoing strategic partnership with Lloyds Living, reservation activity was complemented by sales to a growing portfolio of PRS partners. Overall, we successfully secured 1,693 (FY24: 1,452[R]) private reservations through PRS-related activity and the strength of our relationships with Registered Providers and other multi-unit investors, which supported total private completions in FY25 and our future order book for completions in FY26 and FY27.

We saw some improvement in mortgage market competition and availability but underlying private sales activity has remained relatively flat, driven by the uncertain economic backdrop and the ongoing affordability challenges faced by homebuyers. The London housing market has been particularly challenging with weak demand from both domestic and international homebuyers. Across the Group, the improved reservation rate during the first half was broadly maintained through the second half of the year while pricing and incentive levels across the two periods remained similar.

Home completions

Total home completions (including JVs) reduced by 7.8%[C] to 16,565 from 17,972 in FY24 (FY24: 14,004[R]). While home completions declined 12.0%[C] in the first half, the stronger order book entering the second half and solid reservation rates meant that second half volume was 4.7%[C] lower year on year. As noted above, in Q4 we saw lower than expected completions at several of our sites in London, primarily driven by international customers and PRS investors, a large proportion of which are expected to complete in FY26.

Chief Financial Officer's Review continued

Income statement

Group revenue was £5,578.3m in FY25 (FY24: £4,168.2m[R]; £5,689.9m[A]), from Group total home completions at 16,565 (FY24: 14,004[R]; 17,972[A]).

The average selling price (ASP) of our wholly owned completions increased by 6.3%[C] to £343.8k (FY24: £306.8k[R]; £323.4k[A]), with affordable homes' ASP increasing to £177.1k (FY24: £165.3k[R]; £176.0k[A]) and accounting for 18.1% (FY24: 20.8%[R]; 23.8%[A]) of wholly owned completions. Our private ASP increased by 3.0%[C] to £380.6k (FY24: £343.9k[R], £369.5k[A]), largely due to changes in product and geographic mix.

Adjusted gross profit reduced by 10.1%[C] to £875.2m (FY24: £689.0m[R]; £973.2m[A]). We experienced a 140 basis point decline in adjusted gross margin in the period to 29 June 2025, compared to the FY24 adjusted aggregated performance. This reflected the impact of home completion volume gearing, with house prices and build costs broadly stable at a combined Group level, as well as the purchase price allocation and accounting policy alignment impacts on Redrow's adjusted gross profitability.

The purchase price allocation impact in FY25 reduced adjusted gross profit by £95.1m with a further reduction of an estimated £25m in relation to the impact of alignment of accounting policies. These adjustments, along with the operational gearing impact of lower home completions in the period, resulted in adjusted gross margin of 15.7% (FY24: 16.5%[R]; 17.1%[A]). Adjusted gross margin before the impact of purchase price allocation adjustments was 17.4% (FY24: 16.5%[R]; 17.1%[A]).

Incorporating net adjusting item charges in cost of sales of £90.4m, relating to legacy property costs (FY24: £179.5m[R&A] charge), resulted in reported gross profit of £784.8m and a reported gross margin of 14.1% (FY24: 12.2%[R]; 13.9%[A]).

Administrative expenses before adjusting items were £379.0m (FY24: £314.5m[R]; £396.5m[A]) and included:

- the consolidation of Redrow's administrative expenses from 21 August 2024;
- Group-wide inflationary salary increases at an average of c. 3%;
- estimated synergies in relation to central and divisional administrative expenses of £16m; and
- an increase in sundry income to £18.5m, when compared with £14.8m in FY24[R&A].

After deducting administrative expenses before adjusting items and a net gain of £3.9m on part-exchange activities (FY24: £2.1m[R&A]), the Group delivered an adjusted profit from operations of £500.1m (FY24: £376.6m[R]; £578.8m[A]), with an adjusted operating margin of 9.0% (FY24: 9.0%[R]; 10.2%[A]).

To help the understanding of underlying margin performance across the year, the following reconciliation is provided detailing the main components of margin movements in the period:

The Barratt Redrow adjusted operating margin was stable at 9.0% in FY25 (FY24: 9.0%[R]) with several moving parts:

- **Completion volumes:** the decline in wholly owned completions created a 120 bps negative impact.
- **Net inflation:** modest sales price improvements combined with broadly flat build cost inflation produced a 110 bps positive impact.
- **Completed developments provision:** after reflecting the increasingly extended time periods being experienced in relation to the adoption of roads and public space by local authorities on completed developments, lower year on year charges in the period created an 80 bps positive margin impact.
- **Redrow, mix and other items:** Redrow's standalone performance, along with changes in sales mix, profitability on part-exchange properties and a policy amendment in relation to land options drove the remaining net 70 bps positive margin impact.
- **Synergies:** the estimated crystallisation of cost synergies of £20m had a 30 bps positive impact.

The adjusted operating margin was also then finally impacted by IFRS 3 purchase price allocation adjustments which reduced adjusted operating profit by £95.3m and the Group adjusted operating margin by a 170 bps.

Adjusted items

Adjusted items recognised within reported operating profit in FY25 were £214.6m (FY24: £201.9m[R]; £209.9m[A]) and consisted of:

- costs incurred in respect of legacy properties of £106.2m gross and £90.4m after recoveries from third parties (FY24: £180.0m[R&A] gross; £179.5m[R&A] net) along with associated legal fees of £2.2m;
- costs in relation to the Redrow acquisition of £36.2m (FY24: £22.4m[R]; £30.4m[A]);
- reorganisation and restructuring costs to unlock cost synergies of an estimated £56.8m (FY24: £nil[R&A]); and
- CMA voluntary commitments costs of £29.0m (FY24: £nil[R&A]).

After adjusted items, the reported operating profit was £285.5m (FY24: £174.7m[R]; £368.9m[A]) and the reported operating margin for the period was 5.1% (FY24: 4.2%[R]; 6.5%[A]).

Net finance charges were £29.0m (FY24: £6.5m[R]; £8.0m[A]). This reflected a reduced benefit from interest received on cash on deposit, with finance income reducing to £35.6m (FY24: £47.2m[R]), as well as an increase in finance costs to £64.6m (FY24: £53.7m[R]).

The step up in finance costs reflected non-cash interest costs which included:

- The imputed interest charged with respect to land creditors, at £17.5m (FY24: £10.7m[R]) reflected higher average land creditors during the year; and
- An increased imputed finance charge from unwinding the discount attached to legacy property provisions of £33.6m (FY24: £29.5m[R]), reflecting the increase in legacy property provisions at the start of the financial year and provisions acquired through the acquisition of Redrow.

We now anticipate FY26 net finance costs will be around £50m, comprising c. £5m of net cash finance income and c. £55m of non-cash finance charges, reflecting both a further reduction in cash deposits and the legacy property provision position at the year-end.

The Group's reported share of JV profit was £17.2m (FY24: £2.3m[R&A]) with no adjusting charges associated with legacy properties (FY24: £12.6m[R&A] charge); as a result, the adjusted share of JV profit was £17.2m (FY24: £14.9m[R&A]).

Adjusted profit before tax was £488.3m (FY24: £385.0m[R]; £585.7m[A]) and, after adjusted items, profit before tax was £273.7m (FY24: £170.5m[R]; £363.2m[A]). Adjusted profit before tax and the impact of PPA adjustments, totalling £103.3m, was £591.6m.

The Group recognised £87.3m of total tax charges (FY24: £56.4m[R]) at an effective rate of 31.9% (FY24: 33.1%[R]), with the tax rate impacted by the absence of tax deductibility with respect to Redrow transaction costs reported in adjusted items.

Adjusted items continued

The expected tax rate for the Group in FY26 is 29% on adjusted profit before tax, including Residential Property Developer Tax of 4%.

Adjusted basic earnings per share reduced to 25.5 pence per share (FY24: 28.3 pence[R] per share). The step up in adjusted pre-tax profitability was offset by the increase in average shares in issue, following the acquisition of Redrow, and resulted in a 9.9% reduction in adjusted earnings per share.

Adjusted basic earnings per share before the impact of PPA adjustments was 30.8 pence per share. This measure is also used in determining our dividend per share for FY25 and based on dividend cover of 1.75 times, resulted in a full year dividend of 17.6 pence per share (FY24: 16.2[R] pence per share).

Basic earnings per share increased by 15.3% to 13.6 pence per share (FY24: 11.8 pence[R] per share).

The Group's ROCE declined to 9.0% (FY24: 9.5%[R]) due to operational leverage and the impact of £95.3m of PPA adjustments which reduced adjusted operating profit. The Group's ROCE before the impact of PPA adjustments equated to 10.7%.

Acquisition of Redrow plc

The Group completed the acquisition of Redrow plc on 21 August 2024. The fair value of the consideration paid of £2,528.9m included a premium of £557.8m to the book value of the net tangible assets of the Redrow Group at the date of completion. As required by IFRS 3: 'Business Combinations', the identifiable assets and liabilities of Redrow have been recognised on the Group Balance Sheet at their fair value at the acquisition date.

The fair values were provisional as at the half year and have been revised during the second half as our assessment of building safety and inventories was completed. The most significant adjustment to the fair value related to a review of Redrow's portfolio of reinforced concrete frame buildings. As a result of this review and the total revision to legacy property provisions and inventories fair values of £131.8m on pre-tax basis and £93.6m on a post-tax basis, goodwill has increased to £321.9m. The excess of the consideration over the net tangible assets acquired at £557.8m is recorded as goodwill (£321.9m) and intangible assets (£235.9m).

The final net assets and liabilities recognised as a result of the acquisition are detailed in note 9. Fair value adjustments to the Redrow book value of assets and liabilities, after reclassification of balances to align with their presentation in the Barratt Group financial statements, are shown in the next table:

Redrow plc – fair value adjustments £m	Explanatory note	Fair value adjustment £m
Inventories		
– Land options	1 (a)	71.3
– Land not in development	1 (b)	(60.5)
– Land and work in progress in development	1 (c)	120.4
Provisions		
Legacy property provisions	2 (a)	(144.5)
Completed development provisions	2 (b)	(17.2)
Intangible assets		
Brand	3 (a)	231.8
Customer order book	3 (b)	4.1
Other items including tax liabilities and other creditors		35.5
Deferred tax on adjustments above	4	(93.7)
Goodwill	5	321.9
Total adjustment to net assets acquired		469.1

Explanatory notes

1. The market value of land options on which planning has progressed; land not in development; and land and work in progress in development were adjusted to fair value.
    - (a) In relation to land options held by Redrow, progression on planning resulted in an increase in their carrying value of £71.3m.
    - (b) Land not yet under development was adjusted to reflect recent market conditions, resulting in a reduction in carrying value of £60.5m.
    - (c) Land and work in progress in development was valued to reflect its current stage of development. This resulted in an increase in carrying value of £120.4m.
2. Redrow's provisions have been adjusted to fair value.
    - (a) Redrow legacy property provisions were increased. This reflected the requirement under IFRS 3 to bring contingent liabilities onto the balance sheet, as well as the additional provision required in relation to reinforced concrete frame issues identified in the second half of FY25. After the impact of discounting there was a net increase in the provision carrying value of £144.5m.
    - (b) The reappraisal of the Redrow completed development provision resulted in a £17.2m increase in the provision.
3. In relation to intangible asset recognition.
    - (a) The fair value of the Redrow brand is £231.8m and based on the assumption that the brand will be maintained into the future, the brand will not be amortised.
    - (b) The Redrow order book had a fair value uplift of £4.1m reflecting the embedded margin at the date of acquisition.
4. All adjustments are anticipated to be subject to the Group's effective tax rate at 29% and a deferred tax liability of £93.7m has been recognised in the balance sheet at acquisition and will be released as these various PPA adjustments impact the income statement over the coming years.
5. The remaining balance of the premium to net asset value of £321.9m was recognised as goodwill.

We expect these fair value adjustments to largely unwind through the income statement over a period of 24 months from the balance sheet at acquisition. The reduction in reported profit before tax was £103.3m in FY25 and the reduction in reported profit before tax is anticipated will be c. £20m in FY26 with no further material impacts on profit before tax expected in subsequent years.

In addition to the fair value adjustments above, the Redrow results for the period have been consolidated under Barratt Group accounting policies, in particular the recognition of development-wide costs to complete. This increased cost of sales in FY25 by an estimated £25m when compared to Redrow's previous accounting policies.

Building safety

We continue to make progress with the assessment and remediation of buildings covered under the Building Safety Self-Remediation Terms and Contract, to which the Group became a signatory on 13 March 2023. The Group is now also responsible for the legacy Redrow portfolio. The fair value of Redrow's fire safety provision was recognised at £184.3m at the date of acquisition and included in the Group's interim results to 29 December 2024.

During FY25 additional legacy property related costs were recognised. These costs related to:

- charges relating to legacy property provisions, including revaluations, which totalled £106.2m and which, after recoveries from third parties of £15.8m and associated legal costs of £2.2m, resulted in an adjusted item charge of £92.6m; and
- new issues identified post-acquisition with respect to reinforced concrete frame design and construction and, after investigation, testing and quantification in the second half of FY25, a revision to the Redrow opening balance sheet fair value of £131.8m.

Chief Financial Officer's Review continued

Building safety continued

Remediation cost estimates for the EWS portfolio remained broadly stable during the period with an increase of £15.8m in respect of minor cost increases, offset by a small revaluation of the provision to its present value. However, additional costs of £93.1m were recognised in the second half in relation to two specific developments:

- In our Southern region, we identified fire safety-related issues at a development involving four buildings which were completed in 2002. The remediation and associated costs with respect to these buildings, having reviewed their particular design and build characteristics, are estimated to be £76.4m.
- Additional costs of £16.7m were recognised relating to newly identified issues at a large development in London which was already part of our EWS portfolio and provision.

Of the 278 buildings remaining in our 'under review' portfolio, 263 are the responsibility of our dedicated Building Safety Unit, while the remaining 15 are being remediated through the Government's Building Safety Fund (superseded by the Cladding Safety Scheme ('CSS') from 1 September 2025). As well as our "under review" portfolio of buildings we hold responsibility for a further 464 buildings which are not under active review. This "inactive" portfolio has been appraised for issues relating to external wall systems through a number of channels including communications with building owners, managing agents and principal accountable persons as well as external inspections, and direct communications from residents. Based on these measures, we do not believe buildings in the inactive portfolio to require any remediation other than that already provided at the balance sheet date.

To help understand the Group's portfolio in the context of MHCLG reporting of remediation progress in England, the table below details movements in our "under review" portfolio across FY25 as well as a reconciliation to the total buildings where we hold developer responsibility.

	Buildings 11m – 18m	Buildings above 18m	Total buildings
Portfolio under review at 1 July 2024	**116**	**146**	**262**
Redrow portfolio additions	10	17	27
Additional buildings identified for review	9	10	19
Buildings remediated or no remediation required	(15)	(15)	(30)
Portfolio under review at 29 June 2025	**120**	**158**	**278**
Residual portfolio under review in England only			**243**
Inactive portfolio in England			464
Completed remediation in England			128
Total buildings in England per MHCLG definitions			**835**

Reinforced concrete frames

Following the Redrow acquisition, notwithstanding the absence of any issues identified during the acquisition process, we commenced a full review of Redrow's portfolio of reinforced concrete frame buildings, leveraging our experience gained on these issues over recent years and our commitment to building safety.

These investigations have identified that remediation works may be required at up to four Redrow developments in London. Based on our initial estimates, we have revised the fair values of inventories and legacy property provisions, at the acquisition date by £131.8m, respectively £26.6m as an adjustment to inventories and £105.2m as an addition to provisions, which resulted in a net adjustment to goodwill after tax of £96.3m.

At the year end the portfolio of reinforced concrete frame buildings, across both Barratt and historical Redrow developments, totalled 165 buildings of which 75 have been identified as not requiring remediation; 17 have had remediation works completed; 22 are currently under review; and 51 have had remediation issues identified and are at various stages in the remediation process.

Given the design specific nature of remediation works with respect to reinforced concrete frames and our work and reviews of the design input from specific design engineers, we anticipate that no further buildings will come into scope looking forward.

Legacy properties – impacts in FY25

During FY25 we spent £100.6m (FY24: £91.5m[R]) on the remediation of legacy properties involving both EWS and reinforced concrete frame buildings remediation works.

At 29 June 2025, provisions relating to building safety were £886.4m and in relation to reinforced concrete frame buildings were £187.4m. In total the Group legacy property provision is £1,073.8m and we expect to incur cash costs of approximately £250m during FY26.

Whilst charges for legacy property-related remediation costs reflect our current best estimates of the extent and future costs of work required, we may have to update these figures as assessments and work progress.

Cash flow

Net cash decreased to £772.6m at 29 June 2025 (30 June 2024: £868.5m[R]; £1,164.5m[A]). The main components of the change in net cash position were:

- a £29.3m net cash inflow from operating activities (FY24: £96.2m[R] cash inflow);
- a £195.8m net cash inflow from investing activities (FY24: inflow of £12.0m[R]), with Redrow cash balances at the point of acquisition of £194.3m being the most notable impact; and
- a £320.8m net cash outflow from financing activities (FY24: outflow of £308.6m[R]), principally reflecting dividends paid of £249.3m (FY24: £270.6m[R]) and share buyback costs of £50.3m, including stamp duty charges (FY24: £nil).

The major driver of the decline in net cash inflow from operating activities to £29.3m in the period was the net cash outflow from working capital and provisions of £136.8m (FY24: £12.0m outflow) and net interest and tax payments, which increased to £139.3m (FY24: £73.7m payments) as a result of the Redrow acquisition.

Cash flow continued

The net £136.8m outflow (FY24: £12.0m[R] outflow) with respect to working capital and provisions included:

- investment of £265.5m (FY24: £38.0m[R]) with respect to inventories which included additional net land investment of £180.6m and additional part-exchange property costs carried of £38.9m;
- an £89.3m increase (FY24: £87.2m[R] decrease) in payables, which included land creditor balances increasing by £167.4m (FY24: £33.9m[R] reduction) and a decrease in trade and other payables of £85.0m (FY24: £53.3m[R] reduction); and
- a £40.5m increase in provisions (FY24: £132.8m[R] increase) created in large part by the additional legacy building safety charges incurred in FY25. During FY25, we spent £100.6m (FY24: £91.5m[R]) on the remediation of legacy properties.

Balance sheet

Our balance sheet remains strong despite the scale of the Redrow acquisition, and the purchase price allocation adjustments required by IFRS 3, detailed earlier.

The Group's net assets at 29 June 2025 were £7,873.0m (30 June 2024: £5,439.1m[R]; £7,522.1m[A]) after the payment of dividends totalling £249.3m (30 June 2024: £270.6m[R]) and £50.3m incurred on the share buyback, including stamp duty charges. Looking at the assets and liabilities which make up our balance sheet:

- Goodwill increased to £1,174.8m (30 June 2024: £852.9m[R&A]), reflecting goodwill of £321.9m recognised on the acquisition of Redrow.
- Intangible assets, which include brands, customer contracts and contract relationships, increased to £408.4m (30 June 2024: £184.5m[R&A]) with the recognition of intangible assets of £235.9m with respect to the Redrow acquisition and amortisation charges of £14.5m (FY24: £10.4m[R]).
- The total investment in our land bank increased by £1,871.3m to £5,104.9m (30 June 2024: £3,233.6m[R], £4,751.6m[A]) with the underlying increase in land investment, excluding the impact of the Redrow acquisition, equating to £180.6m.
- Construction work in progress was tightly controlled and increased to £2,979.0m (30 June 2024: £1,829.4m[R]; £2,928.4m[A]) with underlying construction work in progress, excluding the Redrow acquisition impact, increasing by £32.7m.
- Investment in land promotion activity at Gladman was once again tightly controlled with a £0.9m increase in promotional agreement work in progress to £112.4m (30 June 2024: £111.5m[R&A]).
- Part-exchange properties and other inventories increased to £144.3m (30 June 2024: £103.7m[R&A]) reflecting the importance of part exchange for many of our customers, as well as the initial introduction of our comprehensive part-exchange schemes to Redrow sales outlets. Part-exchange inventory was however carefully controlled with 371 of the total holdings of 549 part-exchanged homes sold at the year end (30 June 2024: 309 sold of total holdings of 429 homes[R]).
- At 29 June 2025, the Group held net cash balances of £772.6m (30 June 2024: £868.5m[R]; £1,164.5m[A]).

Looking at the key liabilities on our balance sheet:

- Reflecting the acquisition of Redrow and the reduced level of building activity across the year, trade and other payables, excluding land creditors, reduced on a comparable basis to £1,131.1m (FY24: £754.3m[R]; £1,289.3m[A]).
- With our return to the land market, creating momentum in active land approvals and increased land purchases, we have sought to secure land on deferred terms which align our cash spending commitments with the scheduling of development and home completions. As a result, our land creditors at 29 June 2025 increased to £809.4m (30 June 2024: £472.8m[R]; £633.8m[A]) and equated to 15.9% (30 June 2024: 14.6%[R]; 13.3%[A]) of the owned land bank.
- During FY26, £437.3m of land creditors will fall due for payment (30 June 2024, during FY25: £307.8m[R]; £424.8m[A]). Land creditors due beyond 28 June 2026 totalled £372.1m at 29 June 2025 (30 June 2024: £165.0m[R]; £209.0m[A] due beyond 30 June 2025).
- Provisions increased to £1,371.3m at 29 June 2025 (30 June 2024: £921.2m[R]; £1,100.2m[A]) and included £1,073.8m (30 June 2024: £730.3m[R], £903.3m[A]) of provisions to cover future costs in connection with building safety and reinforced concrete frames (see note 13 of the financial statements for further detail).

Net tangible assets at 29 June 2025 were £6,289.8m and 437 pence per share (30 June 2024: £4,401.7m[R]; 452 pence per share[R]). Land, net of land creditors and work in progress, totalled £7,274.5m and 505 pence per share at 29 June 2025 (30 June 2024: £4,590.2m[R]; 471 pence per share[R]).

Operating framework, capital allocation and returns to shareholders

During the year the Board reviewed the Group's capital allocation framework considering the Group's business plan, medium-term targets, capital structure and shareholder feedback. It is vital that our operating framework and capital structure continue to deliver a stable and solid foundation for the Group, with shareholders' funds and land creditors funding the longer-term land requirements of our business and term loans and bank debt funding the shorter-term requirements for working capital. The Board also decided to rebalance capital returns between ordinary dividends and share buybacks.

Following Board approval, the Group announced in February 2025 with the half year results:

- an objective to increase land creditor funding of the Group's land investment to between 20% and 25% over the medium term;
- an annual share buyback programme of at least £100m per annum from FY26, with an initial buyback of £50m during the second half of FY25; and
- a refinement to dividend cover, which will move to 2.0 times cover based on adjusted earnings before purchase price allocation adjustments in FY26 from 1.75 times cover which applied previously.

In pursuing this clear framework, we will seek to ensure that the Group remains in a strong financial position through the cycle, ready to take both operational and financial decisions which protect shareholder value as well as allowing us to take advantage of a market recovery or organic investment opportunities in the future.

Chief Financial Officer's Review continued

Operating framework, capital allocation and returns to shareholders continued

Our operating framework remains unchanged from that disclosed at our HY25 results, and our performance against targets at 29 June 2025 and the aggregated business at 30 June 2024 are summarised below.

	Operating framework	Position at 29 June 2025	At 30 June 2024[A]
Land bank	c. 3.5 years owned and c. 1.0 year controlled	5.4 years owned and 0.8 years controlled	4.7 years owned and 0.6 years controlled
Land creditors	Increase usage to 20–25% of the land bank over the medium term	15.9%	13.3%
Net cash	Target average net cash over the financial year	FY25: average net cash of £466.8m	FY24: average net cash of £732.3m[R*]
	Year-end net cash	£772.6m	£1,164.5m
Total indebtedness	Minimal year-end net indebtedness in the medium term	Total net indebtedness of £36.8m	Total net surplus of £530.7m
Treasury	Appropriate financing facilities	£700m Revolving Credit Facility extended to November 2029 and £200m US Private Placement Notes maturing August 2027	£700m Revolving Credit Facility extended to November 2028 and £200m US Private Placement Notes maturing August 2027
Dividend policy	Dividend cover of 2.0x adjusted earnings per share	FY25: total ordinary dividend of 17.6 pence per share	FY24: total ordinary dividend of 16.2 pence per share**

Note: * Average net cash based on Barratt Developments PLC reported in FY24.
** Dividend reflects the dividend per share declared in respect of each Barratt Developments PLC share.

Treasury

The Board sets and approves the Treasury Policy and senior management controls day-to-day operations. The Group's Treasury Policy seeks to maintain an appropriate capital structure and provide the right platform for the business to manage both operating risks and opportunities.

Cash management and relationships with our banking partners are co-ordinated centrally by Group Treasury. During the year, we agreed the final one-year extension to our £700m Revolving Credit Facility (RCF) with our lenders, extending its term to November 2029. Our £200m US Private Placement Notes remain in place and are repayable in August 2027.

Tax

The Group does not enter into business transactions for the sole purpose of reducing potential tax liabilities. The Group's tax strategy is to only use any available reliefs and exemptions, which have been set out in current tax legislation, to minimise the Group's tax liabilities.

The effective rate of corporation tax, including RPDT, for the 52-week period ended 29 June 2025 was 31.9% (FY24: 33.1%[R]) which, reflecting the impact of the non-deductible Redrow transaction expenses, was above the standard effective rate of tax of 29% (inclusive of RPDT at 4%) (FY24: 29% inclusive of RPDT at 4%).

Pensions

Defined contribution pension arrangements are in place for all current employees. Defined contribution scheme charges for qualifying employees totalled £32.5m (FY24: £21.2m[R]). Pension contributions are based upon a fixed percentage of each qualifying employee's pay and once paid, the Group has no further obligations under these schemes. The Redrow group of companies also operates the Redrow Staff Pension Scheme which, in part, comprised a defined benefit pension plan. This scheme was closed to new entrants from July 2006 and closed to future accrual from 1 March 2012. The Group made no contributions to this scheme in FY25 and does not expect to make contributions in FY26. At 29 June 2025 a scheme surplus of £4.2m has been recognised in the Group Balance Sheet.

Chief Financial Officer's Review continued

Guidance for FY26

Total home completions	c. 17,200–17,800 total home completions including c. 600 JV completions Affordable mix expected to be c. 20%
Average sales outlet movement (inc. JVs)	Broadly flat on FY25
Build cost inflation	c. 1–2% including estimated procurement-based cost synergies
PPA impacts on adjusted profit before tax	c. £20m charge
Adjusted administrative expenses	c. £400m (including amortisation of intangible assets of c. £10m and estimated incremental cost synergies of c. £30m)
Synergy savings	Incremental c. £45m within adjusted profit before tax (£65m cumulative)
Interest charges	c. £50m interest charge for the year (c. £5m cash credit, c. £55m non-cash charges)
Land approvals	Expect to replace plots utilised in the year
Land cash spend	c. £0.8bn - £0.9bn
Land creditors	15% - 16%
Building safety spend	c. £250m
Year-end net cash	c. £0.4bn - £0.5bn
Taxation	Tax rate on adjusted earnings anticipated at 29%, reflecting current corporation tax rate and 4% RPDT
Ordinary dividend cover	2.0x ordinary dividend cover based on adjusted earnings per share before purchase price allocation (PPA) fair value adjustments

Well positioned for FY26

We have a strong balance sheet, a solid forward sales position, and we are executing the integration of Redrow at pace, which stands us in a strong position as we enter FY26.

Homebuyer confidence does remain fragile, reflecting uncertainties around the wider economy and taxation, and mortgage rates remain elevated compared to recent years but there remains a long-term under-supply of new homes and we continue to see solid mortgage market competition and availability.

Our teams are focused on securing our targeted cost synergies, progressing incremental sales outlets through planning to enhance our sales outlet position in FY27 and FY28 and ensuring we optimise our land buying, as well as our build and sales programmes, to offer the greatest choices to our customers whilst driving efficiency in our use of capital and value for all our stakeholders.

Mike Scott
Chief Financial Officer
16 September 2025

Notes:

R. Reported and denotes a Barratt Developments PLC Group (Barratt Group) reported metric based on the standalone performance of the Barratt Group in the comparable reporting period.

A. Aggregated and denotes an aggregated metric based on the reported performance of the Barratt Group in the comparable reporting period 1 July 2023 to 30 June 2024 and includes the performance of the legacy Redrow plc group (Redrow Group) from 24 August 2023 to 30 June 2024, to provide comparability on operational and financial performance. Redrow Group data is based on Redrow plc's standalone accounting policies and therefore excludes any impact of policy alignments made since the acquisition. Aggregated adjusted measures are also presented, prepared on the same basis. The aggregated value comparatives have not been audited or reviewed by Barratt Redrow plc's auditor.

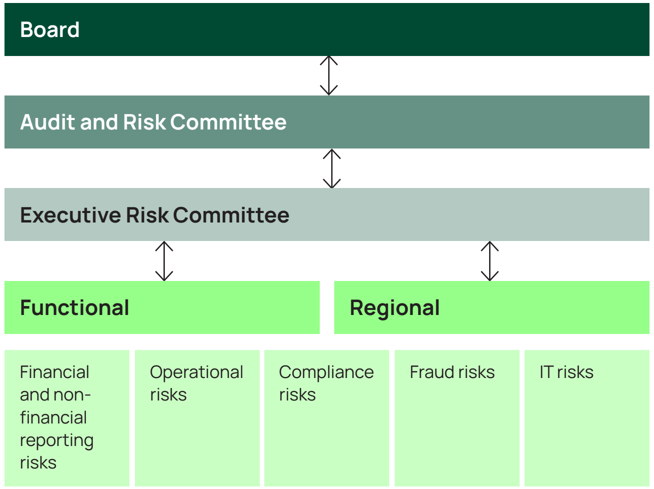
C. Percentage change identified references the change compared with the aggregated comparator.

Our approach to risk management

In pursuing our strategic priorities to create value for stakeholders, we are exposed to risk in many areas of our business that continually evolve. Managing our risks responsibly is key to delivering our strategy in a way that creates value for our customers, shareholders, employees and partners.

Risk management controls are integrated into all levels of our business and across all operations, including at site, divisional, regional and Group level. The Board and Executive set a clear tone at the top regarding the importance of risk management controls and have set out clear responsibilities as part of our Enterprise Risk Management policies.

Risk reporting structure



Responsibilities within risk management

We mitigate our risks by identifying, mitigating and confirming through assurance.

Board

- Ensures there is an appropriate culture in place to support effective and embedded risk management throughout the Group.
- Reviews, challenges and approves recommendations regarding risk management presented by the Audit and Risk Committee.

The Board has determined its risk appetites for each of the principal risks have been defined as:

Averse – accept as minimal risk as possible – limited tolerance of potential exposure to risk consequence in pursuit of related benefits.

Cautious – a balanced and informed approach to risk taking – moderate tolerance of potential exposure to risk consequence in the pursuit of related benefits.

Opportunistic – a more receptive approach to adaptability – taking risk for increased benefits/returns or to achieve strategic goals.

Audit and Risk Committee, on behalf of the Board

- Responsible for ensuring and overseeing that the Executive Risk Committee has implemented effective risk management processes and systems.
- Assesses principal and emerging risks and their risk appetite against the Group's strategy and the interests of stakeholders, and gains assurance on their management.

Executive Risk Committee

- Monitors business and operational performance and changes to key risks.
- Identifies, reviews and monitors emerging risks to assess potential impact on the Company.
- Implements mitigation strategies to effectively manage key risks within the Group's risk appetite.
- Responsible for ensuring that risk management is embedded within the business and appropriate actions are taken to manage risk.

Group, regional and divisional management

- Apply specialist knowledge to identify new risks and monitor changes to existing compliance, operational and strategic risks at a divisional, regional and functional level.
- Responsible for risk management and control activities within the relevant divisions, regions or Group disciplines.

Risk management continued

Risk and control cycle

Identify risks

Identify **key risks**

Design controls

Identify mitigating actions such as designing and implementing effective controls

Clear policies and procedures manual (PPM)

Update **policies**, **procedures** and **controls** regularly to ensure clarity to all users on expectations

Train

Provide guidance and training to divisions and Group functions on expectations and requirements

Monitor

Implement **second line of defence monitoring controls** to ensure compliance with policies and procedures

Confirm

Confirm that the PPM has been followed and controls effectively operated

Emerging risks

Emerging risks are often characterised by a high degree of uncertainty and unpredictability, making them challenging to identify, assess and manage. They may not have historical data or precedents to guide us, and their impacts can be both far-reaching and complex. Therefore, as part of our emerging risk and horizon scanning process we identify risks through a range of methods. Primarily, we conduct internal reviews of emerging risks through our risk workshops. During FY25, we also employed the support of third parties to challenge us on our understanding of the key risks and to provide expert analysis on areas we may not have considered through our internal processes. They also support on horizon scanning, enabling us to look ahead. Our emerging risk reviews are broken down into four discrete areas:

- Strategic;
- Regulatory;
- Technology; and
- Political and economic risks.

During FY25 we have performed significant deep dives in collaboration with our external partners over UK infrastructure, specifically water scarcity and global political risks. The Executive and Board continue to review and access emerging risks on an ongoing basis as well as formally on a six-monthly basis.

Principal risks and uncertainties

The risks which the Group faces could have a material adverse effect on the implementation of the Group's strategy, business, financial performance, shareholder value and returns, and reputation. Changes in the economic or trading environment can affect the likelihood and potential impact of risks, and may create new and emerging risks. Our principal risks are based on a three-year horizon, which is aligned to our forecast and business planning.

Throughout FY25 the risk management process has been integrated across the wider Barratt Redrow Group and an aligned methodology adopted. As part of the Group's risk management framework all regions and key Group functions conducted risk workshops to review and identify their current risks and any potential emerging risks. These workshops presented a robust "bottom-up" challenge to the risks identified at an Executive level as part of the Executive Risk Committee.

As well as quantitative measures, we also assess qualitative impacts such as reputational damage. The Group manages the impact of reputational damage as a consequence of not actively managing our key risks; therefore the principal risks and corresponding mitigation actions are carefully considered to minimise our risk of reputational damage.

Changes in risk profile

We have seen an increase in both the frequency of geopolitical uncertainty and the speed that related risks materialise during FY25. We are aware that despite being a UK business with a high proportion of suppliers being UK based, we are not immune to the global political and economic environment and the effects it has on areas such as the UK market or our supply chain. We have engaged with third-party risk experts to support us in considering how we may respond proportionately to ensure our business is resilient. In addition to increasing the risk levels we have merged our political risk with our economic risk due to the direct relationship between these two risks.

We are positive on the outlook for land and planning permissions due to the positive actions taken by the Government. Although reforms are in the early stages, we feel the likelihood of the risk materialising and having a material impact has reduced.

We welcome the Government's ambitious commitment to build 1.5m homes, which supports our plan to expand our volumes. We recognise that increased volumes will put pressure on the labour market, and therefore we have increased the velocity of the attracting and retaining high-calibre employees risk so that we ensure we can meet the demands of a growing market.

We have amended our broader information technology risk to be more specific to cybersecurity risk and increased the risk levels. Given the current climate and cyber attacks, this risk is an evolving risk, and the impacts on data, operations and financial transactions if there is a breach, and the implications for organisations, are increasing. Therefore, we recognise this and are committed to ensuring we keep up to date with mitigating actions. Mitigations are detailed on page 84.

We have reduced our residual risk rating for high-rise and complex structures. As a Group we have enhanced and implement a number of processes, controls and mitigations to prevent the risk of current and future builds being subjected to the costs and remediation works that the housebuilding industry has faced over high-rise structures.

Overall assessment

The Board has completed its assessment of the Group's principal and emerging risks, including those that could threaten its business model, future performance, solvency or liquidity.

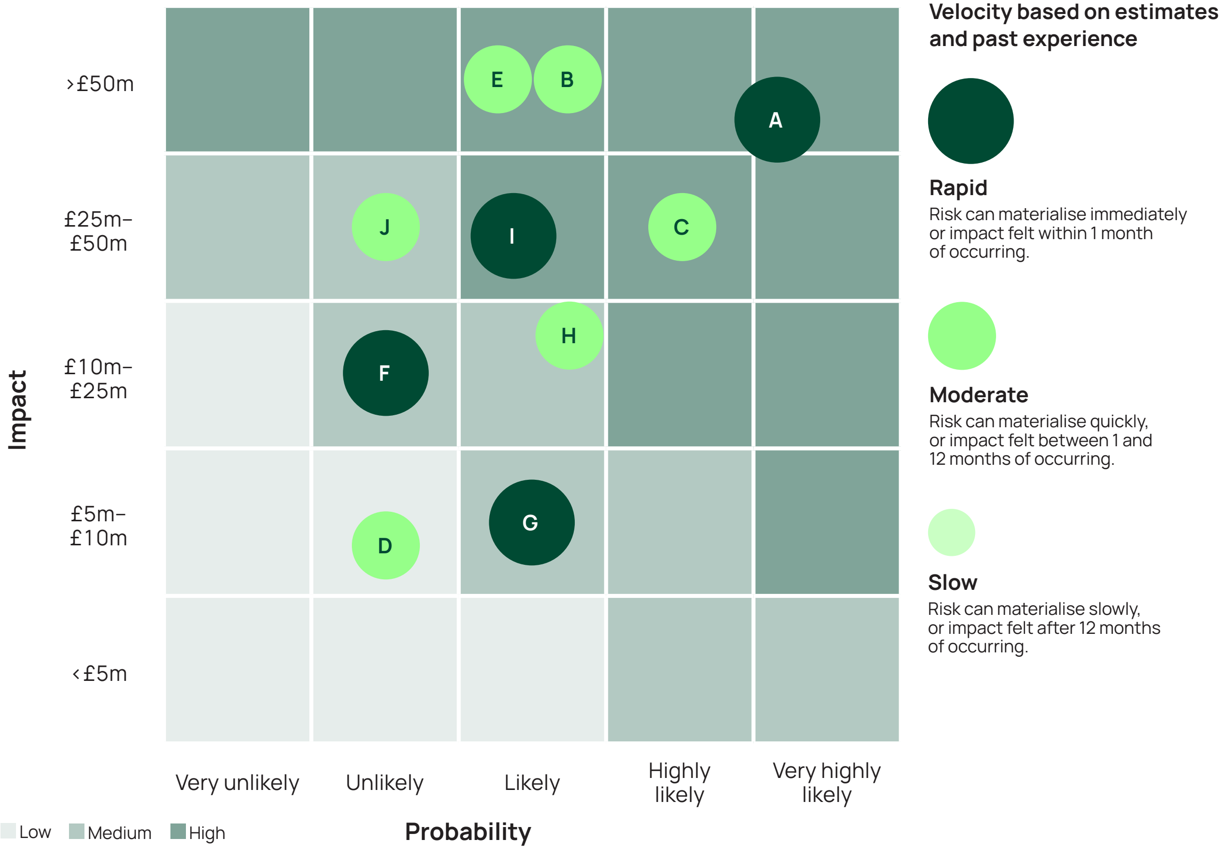
The current risk profile is within our tolerance range as the Group is willing to accept a moderate level of operational risk to deliver financial returns.

There may be instances where these risks could have an adverse impact on the Group – either financially or operationally. To ensure the Group's business model remains resilient over the medium and long term, the Group has modelled these scenarios alongside achievable mitigating actions. The results are presented in the Viability Statement on pages 83 and 84.

Principal risks

The Group has identified ten principal risks that it considers has a potential impact and/or likelihood that could significantly affect the Group's achievement of its strategic priorities and objectives.

Heat map of principal risks net of mitigations



A Political and economic environment
B Land and planning
C Government regulation
D Construction quality and innovation
E High-rise and complex structures
F Supply chain resilience
G Safety, health and environment
H Attracting and retaining high-calibre employees
I Cybersecurity
J Redrow integration

The principal risks are detailed on pages 69 to 73, categorised by the strategic priorities to which they relate. Risk levels are presented net of any mitigations that are in place and the risk appetite defines the level of risk that the Board has determined as acceptable.

Principal risks continued

Risk level:
H High risk M Medium risk L Low risk

Increase for Government regulation:
↑ Increase ↓ Decrease ↔ No change

A Political and economic environment

Risk level: H ↑
Velocity: Rapid

Risk appetite: Cautious

Responsibility:
Executive Committee

Risk description

Significant changes in the UK macroeconomic environment, major geopolitical events, or unpredictable unforeseen events may lead to falling demand, tightened mortgage availability, lack of funding for housing associations, reduced new build demand due to increased demand in the second hand property market, or reduced purchaser liquidity, especially in the first-time buyer market. These events can cause rapid, severe and prolonged market disruptions beyond normal cyclical patterns. The resultant decline in affordability for both private and rental customers could lead to reduced sales volumes, diminished profitability, and in severe scenarios operational continuity, potentially compromising the Company's ability to deliver planned developments and meet strategic objectives.

Response/mitigation

- Disciplined operating with appropriate capital structure and strong balance sheet.
- Financial stress testing and impact analysis performed by Group finance.
- Continual monitoring of macroeconomy, housing market data and key risk indicators by the Board and Executive Committee.
- Business continuity and crisis management procedures in place to mitigate impact of significant one-off global or local economic and/or political events.

Key risk indicators

Internal: Gross and operating margins, PBT, ROCE, EPS, TSR, sales rates per outlet.

External: CPI, mortgage approvals, mortgage affordability, new housebuilding site starts.

B Land and planning

Risk level: H ↓
Velocity: Moderate

Risk appetite: Cautious

Responsibility:
Land Committee

Risk description

Lack of developable land due to delays in planning approval, failure of a clear and consistent Government policy or insufficient consented land and strategic land options at appropriate cost and quality could affect our ability to grow sales volumes and/or meet our margin and site ROCE hurdle rates.

Response/mitigation

- Land acquisitions subject to formal appraisal and approval by Land Development Leadership Group (LDLG).
- Strategic land investments subject to review by Gladman Developments.
- Group/regional/divisional review of owned/committed land vs strategic requirements.
- Six-monthly review by LDLG of strategic land portfolio.
- Planning Performance Agreements with some select planning authorities.
- Group Land and Planning Director reviews and approves planning appeals.
- Regular meetings with key external stakeholders: Government, regulatory bodies, land agents, promoters and landowners.

Key risk indicators

Sales compared to detailed consents, number of active outlets achievable with current land bank, planning applications decided within budgeted timescales.

Principal risks continued

Risk level:
H High risk M Medium risk L Low risk

Increase for Government regulation:
↑ Increase ↓ Decrease ↔ No change

C Government regulation

Risk level: H ↑
Velocity: Moderate

Risk appetite: Averse

Responsibility:
Executive Committee

Risk description

The housebuilding industry is subject to increasingly complex legislation and regulations, Government intervention and policy changes, for example building regulation, legal, NHQC, CMA and environmental regulation. Deviation from current regulations or failure to implement the required changes effectively within our processes could lead to financial penalties, damage to the Group's reputation or increased costs due to inefficient processes.

Response/mitigation

- Policies and procedures covering relevant regulation/legislation.
- Compulsory employee compliance training.
- Second line functions responsible for monitoring policies, training and controls.
- Reporting of non-compliance via whistleblowing hotline and bi-annual Control Self-Assessment.
- Consultation, engagement and membership of relevant industry groups/liaison with Government agencies.

Key risk indicators

Compliance training completion level, compliance with Group policies.

D Construction quality and innovation

Risk level: L ↔
Velocity: Moderate

Risk appetite: Cautious

Responsibility:
Operations Committee

Risk description

Failure to achieve excellence in housebuilding construction and product quality, through insufficient quality assurance programmes or inability to develop, evaluate and implement new and innovative construction methods or be a market leader with changes in technology advancement, could increase costs, expose the Group to future remediation liabilities, and result in poor product quality and reputational damage.

Response/mitigation

- Continuous review of design and materials, which are evaluated by technical experts including the NHBC, to ensure compliance with all regulations.
- Monitoring and improving the environmental and sustainability impact of construction methods and materials.
- Implementation of modern methods of construction by Design and Technical teams.
- Detailed build programmes supported by robust quality assurance.

Key risk indicators

Recommend score, total home completions, gross margin, operating margin, NHBC average RI and BRIs.

Principal risks continued

Risk level:

H High risk M Medium risk L Low risk

Increase for Government regulation:

↑ Increase ↓ Decrease ↔ No change

E High-rise and complex structures

Risk level: H ↓
Velocity: Moderate

Risk appetite: Averse

Responsibility:
Operations Committee

Risk description

Failure to build high-rise and complex structures in line with building regulations, or remediate existing legacy quality issues effectively, could result in remediation delays, reputational damage, increased cash outflows or future remediation liabilities.

Response/mitigation

- Use of qualified engineers through an approved panel including structural engineer peer review process.
- Third-party liability insurance.
- Detailed build programmes supported by robust quality assurance and a dedicated Building Safety Unit (BSU) which conducts remediation work.
- BSU undertakes independent reviews and investigations of legacy buildings.
- Assumptions on the estimated financial costs for remediation have been tested and challenged robustly.

Key risk indicators

Independent Design Check (IDC) observations, NHBC average RI and BRIs.

F Supply chain resilience

Risk level: M ↔
Velocity: Rapid

Risk appetite: Cautious

Responsibility:
Operations Committee

Risk description

Not adequately responding to shortages or increased costs of materials and skilled labour, or the failure of a key supplier in the current economic environment, may lead to increased costs and delays in construction.

Response/mitigation

- Centralised team procures materials from UK suppliers.
- Multi-supply (anti-sole supply policy) for key labour and material supplies.
- Contingency plans for key suppliers against supplier failure.
- Formal tendering policies, procedures and controls.
- New supplier due diligence checks on supplier appropriateness and product quality.
- Build programme and material planning forecasting to ensure availability.
- Supplier performance monitoring by Group Procurement.

Key risk indicators

Supplier audit risk scores, supplier concentration.

Risk management continued

Principal risks continued

Risk level:
H High risk M Medium risk L Low risk

Increase for Government regulation:
↑ Increase ↓ Decrease ↔ No change

G Safety, health and environment

Risk level: M ↔
Velocity: Rapid

Risk appetite: Averse

Responsibility:
Safety, Health and Environment Operations Committee

Risk description

Health, safety or environmental incidents or compliance breaches that fail to protect or adversely impact employees, subcontractors, customers and site visitors, undermining our responsibilities and objectives to be a safe and responsible business for all of our stakeholders, all of the time.

Response/mitigation

- Clear roles and responsibilities for SHE.
- SHE management system and SHE policies and procedures.
- Employee and subcontractor relevant and appropriate SHE training.
- Monthly operational Divisional Board reporting on SHE performance.
- Second line team of SHE compliance managers provides support and guidance.
- Board level SHE Committee and SHE Operations Committee review and monitor compliance.

Key risk indicators

Safety, health and environment (SHE) audit compliance, reportable injuries and waste per tonne.

H Attracting and retaining high-calibre employees

Risk level: M ↔
Velocity: Moderate

Risk appetite: Opportunistic

Responsibility:
Executive Committee

Risk description

Increasing competition for skills may mean we are unable to recruit/retain the best people. Having sufficient skilled employees is critical to delivery of the Group's strategy of volume growth whilst maintaining excellence in our other strategic priorities.

Response/mitigation

- Remuneration benchmarking against competitors (within and outside the industry).
- Comprehensive recruitment and onboarding processes.
- Apprenticeships, graduate development, training academies and development programmes.
- Group-wide succession planning and personal development plans for all employees.
- Company values relaunched and embedded.
- Annual employee engagement survey and regular pulse surveys to measure satisfaction.
- Monitoring employee turnover, absence statistics and independent feedback from exit interviews.

Key risk indicators

Employee engagement score, retention and attrition numbers, leavers rate for those employed <12 months, demographic and age.

Risk management continued

Principal risks continued

Risk level:
H High risk M Medium risk L Low risk

Increase for Government regulation:
↑ Increase ↓ Decrease ↔ No change

I Cybersecurity

Risk level: H ↑
Velocity: Rapid

Risk appetite: Cautious

Responsibility:
Executive Risk Committee

Risk description

A successful cyberattack breaching any of the Group's key systems, particularly those for financial and customer information or surveying and valuation, could restrict operations, cause financial losses, regulatory fines and reputational damage or disrupt progress in delivering strategic priorities.

Response/mitigation

- 24x7 Security Operations Centre, tooling and log alerting.
- Regular external review/penetration testing to reduce risk of successful cyberattack, and internal audits when we require specialists.
- Group-wide IT security policies.
- Adoption and testing NIST control framework with Board oversight and maturity targets.
- Cybersecurity insurance policy.
- Mandatory IT security training for all employees annually.

Key risk indicators

Phishing click rate, mean time to resolve, number of incidents, number of events.

J Redrow integration

Risk level: M ↔
Velocity: Moderate

Risk appetite: Cautious

Responsibility:
Executive Committee

Risk description

Without careful management, there is a risk that our objectives to maximise shareholder value by successfully integrating the two businesses to generate revenue growth opportunities, and achieve operational and cost synergies, are not achieved.

Response/mitigation

- Identify, monitor and report via Integration Programme Board to Barratt Redrow Executive.
- Internal Integration Management Office (IMO).
- Support from integration partners PwC.
- Formal project management via PMO with go/no-go decisions.

Key risk indicators

Synergies achieved, timeframes on progress.

Planning for future resilience

Our sustainability framework is integral to our strategy and embedded across all operations. We assess issues impacting the sustainability of our business model and operating environments as part of our risk management process, capturing them within our principal risks.

Through stakeholder engagement and collaboration, we aim to mitigate sustainability-related risks and seize opportunities that create lasting value for nature, places and people. Our integrated approach ensures our commitment to sustainability is reflected throughout our risk management framework, driving long-term value and resilience across the organisation. Following the acquisition of Redrow, this framework has been implemented throughout the combined business. These disclosures reflect the governance, management and potential impact of sustainability-related risks and opportunities across the new group.

Task Force on Climate-related Financial Disclosures (TCFD)

In accordance with UK Listing Rule 6.6.6R and the Climate-related Financial Disclosure Regulations (CFD) 2022, this Annual Report and Accounts includes climate-related financial disclosures consistent with all eleven TCFD recommendations and all eight CFD requirements.

Deloitte has provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 (ISAE 3000) and Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) issued by the International Auditing and Assurance Standards Board (IAASB) over the TCFD disclosures on pages 74 to 82 and selected metrics on page 81. This excludes any references made to TNFD, including the nature-related risk assessment section on page 76.

Deloitte's full unqualified assurance opinion, which includes details of the selected assured metrics, is available on our website.

Find out more

→ Read more about our governance on pages 74 and 75

→ Read more about our strategy on pages 77

→ Read more about our risk management on pages 76 and 78 to 80

→ Read more about our metrics and targets on pages 81 and 82

→ Read more about our transition plan on page 11

www.barrattredrow.co.uk/sustainability

Upcoming reporting frameworks

We recognise the growing importance of global sustainability reporting frameworks in shaping effective risk management and disclosure. In FY24, we initiated our alignment with the Taskforce on Nature-related Financial Disclosures (TNFD), building on our established TCFD reporting. We are also preparing for the adoption of the International Sustainability Standards Board (ISSB) standards, with work underway to integrate these into our broader sustainability risk framework. Our goal is to transition towards a holistic assessment of sustainability-related risks across climate, nature and other material themes.

Governance

The Board oversees the Group's sustainability strategy, delivery, and related risks, with the CEO accountable for execution. The Board Sustainability Committee, chaired by the CEO, reviews the strategy and its implementation, approving plans to mitigate risks and leverage opportunities. Supporting Committees, including Audit and Risk, SHE, and Remuneration, embed sustainability into risk management, operations and colleague incentives.

The Executive drives delivery via the SHE Operations, Risk, and Land Committees, each considering sustainability in core decision making. Cross-functional management working groups further support delivery, focusing on critical areas such as data, stakeholder engagement and sustainable operations.

These governance structures are illustrated in our sustainability risk governance framework on page 75, outlining the roles of the Board, Executive, and Management Working Groups in identifying, assessing, and responding to sustainability-related risks.

Staying informed

As climate and nature-related risks evolve, our governance groups ensure the business strategy remains responsive and informed. During the year, the Sustainability Committee received the following updates related to climate change and nature:

- initial findings from a nature-related risk screening exercise and the proposed nature-related risks work programme;
- water footprinting assessment and proposed priority areas;
- market trends and challenges in electric vehicles;
- the Group's strategic partnership with the RSPB and progress in relation to operational delivery of biodiversity; and
- the combined net zero transition plan for Barratt Redrow.

Sustainability-related risks and opportunities continued

Our governance framework

■ Board Committee ⬛ Management Committee 🟩 Working Group

Board

Group Board

Responsible for setting the culture, corporate strategy and governance framework within which the business operates. Oversees the performance, risk management and internal controls for the Group.

Nomination and Governance Committee

Monitors composition of the Board to ensure the balance of sustainability, skills, experience and knowledge.

Audit and Risk Committee

Monitors integrity and compliance of sustainability-related risk disclosures (e.g. climate change and nature) and data reporting through assurance of sustainability-related metrics.

Sustainability Committee

Debates, reviews and scrutinises the sustainability strategy and its implementation. Approves plans to mitigate risks and leverage opportunities.

SHE Committee

Monitors the potential impact and mitigation activity for significant environmental risks. Monitors compliance with Group SHE policy.

Remuneration Committee

Designs our Remuneration Policy to incentivise performance against sustainability-related targets. Monitors performance against targets and approves remuneration accordingly.

Executive

Risk Committee

Monitors effectiveness of the Group's internal control policies and procedures for the identification, assessment and reporting of sustainability risks.

Land Committee

Considers sustainability risks such as flood risk and biodiversity before approving land acquisitions.

SHE Operations Committee

Develops SHE strategy for the Group, including implementation of waste and energy efficiency strategy.

Management working groups

Biodiversity Net Gain

Considers risks, issues, planning milestones and key decisions for the Group's biodiversity strategy.

Sustainable Homes

Considers strategic priorities for homes and developments within the Building Sustainably Framework.

Stakeholder Engagement

Internal and external engagement on sustainability issues that matter most to our stakeholders.

Waste

Reviews operational waste performance and assesses adoption of new initiatives and best practice.

Sustainable Operations

Reviews operational priorities within the Building Sustainably Framework.

ESG Data and Controls

Develops ESG data strategy and approach for the Group, including data reporting, assurance, implementation and compliance against policies and procedures.

Human Rights

Provides ongoing oversight of the human rights strategy.

Climate risk management

Climate-related risks are embedded into the Group's broader risk management process.

Regional and functional risks are identified through bottom-up assessments, while Group-level risks are identified through top-down assessments (see page 66). The resulting risk registers are reviewed and supplemented by findings from our climate scenario analysis (see page 77).

Climate-related risks and opportunities are summarised on page 78 and categorised into physical risks from new weather patterns, transition risks associated with moving towards a low-carbon economy, and opportunities arising from sustainable development.

Climate risk assessment criteria

Each risk is assessed using our risk assessment process outlined on pages 66 and 67. We evaluate the estimated profit impact of a risk or opportunity within the relevant financial year and climate scenario, with long-term obligations recognised over their respective periods. A "substantial" financial impact is defined as one exceeding £50m, aligning with our broader business risk criteria (see page 68).

Our risk assessment spans short, medium and long-term timeframes, aligns with our emissions reduction targets, and captures both transitional and physical risks. The short-term focus pertains to our owned land bank, while the medium to long-term focus addresses strategic land options and promotion agreements.

Short term (1–3 years)

- **Short-term scope 1 and 2 science-based targets (SBT).**
- **Implementation of the Future Homes Standard.**

↓

Medium term (4–10 years)

- **Medium-term scope 3 science-based targets (SBT).**
- **Zero carbon homes in use for regulated energy.**

↓

Long term (11–25 years)

- **Our pathway to net zero is set out on page 11.**
- **Paris Agreement and UK target for net zero by 2050.**

Oughtibridge Valley, David Wilson Homes.

Expanding our focus: nature-related risk assessment

In parallel with our climate scenario analysis, we have begun assessing nature-related risks and opportunities in line with the Taskforce on Nature-related Financial Disclosures (TNFD).

Using the Locate, Evaluate, Assess, Prepare (LEAP) approach, we have initiated the identification of Dependencies, Impacts, Risks and Opportunities (DIROs) including mapping of direct impacts and upstream supply chain hotspots. We have also undertaken deeper analysis for key materials including bricks, blocks and plasterboard.

This work marks the start of our journey towards a more holistic understanding of environmental risks – complementing our climate analysis and supporting long-term resilience across our value chain.

Sustainability-related risks and opportunities continued

Climate scenario analysis

Given the profound impact climate change could have on our operations, and on our external stakeholders such as suppliers and customers, we have tested the resilience of the business in the face of various climate scenarios:

1.5°C

Sustainable transition

Orderly transition to a low-carbon economy, aligning with regulatory efforts to limit global temperature rise to the Paris Agreement goal of 1.5°C by 2100.

2.0°C

Disorderly transition

Minimal additional regulation until 2030, after which stringent policies are hastily implemented to limit warming to 2°C by 2100.

4.0°C

Adaptation

Global policy shifts away from prevention towards adapting to a new climate, leading to a global temperature rise of 4°C by 2100.

We assessed climate-related risks using high-resolution local climate data and IPCC-aligned models. This analysis covered a sample of land and supply chain sites, evaluating physical and transition risks across short, medium and long-term horizons.

We reviewed the Group's climate risks and opportunities in light of the Group's acquisition of Redrow, and the scenario analysis has been updated to reflect the combined land bank and newly identified key risks.

A summary of climate risks and opportunities is provided on pages 78 to 80.

See our full Climate-related Risks and Opportunities Analysis on our website for further information on these scenarios, our scenario analysis methodology and the impact on our business model: www barrattredrow.co.uk/sustainability

Strategic impact

Our analysis affirms that our business model remains profitable under the current climate scenarios and timeframes, even without additional mitigating actions and despite associated costs. We will continue to monitor this in ongoing assessments.

A sustainable transition, despite its costs, offers opportunities. A disorderly transition, though disruptive, would still see us maintain profitability. The adaptation scenario has the least financial impact, which is manageable thanks to proactive measures we've already implemented, such as design changes and flood risk assessments.

To thrive in all three climate scenarios, we have highlighted key areas to progress:

- reducing embodied carbon in our supply chain (see page 11) for our transition pathway and how we are reducing emissions across our value chain to achieve net zero);
- updating designs to meet stringent regulations; and
- leveraging our sustainability expertise to provide energy-efficient, affordable homes and promote green mortgages.

→ For more on our metrics and targets to minimise our exposure to climate-related risks and maximise the opportunities this offers, see page 81

Impact on the Financial Statements

We integrate material climate-related impacts into our three-year forecasting cycle, including site-specific considerations that influence site profitability. In our FY25 Financial Statements, we considered the financial impact of climate change on the following areas:

Going concern and long-term viability

Climate-related risks, including the Future Homes Standard and carbon pricing, are reflected in downside scenarios for our going concern (see note 1, page 168) and long-term viability assessments (page 83). These risks are not expected to affect our ability to meet obligations over the review period.

Land acquisitions

Flood risk is factored into land acquisition decisions and viability assessments. At year end, no sites required impairment due to flood risk under modelled climate scenarios (see note 16, page 191).

Site profitability

Costs related to regulatory compliance (e.g. the Future Homes Standard) and design changes for overheating are included in our estimated costs to complete and reflected in inventory valuations (see note 3, page 170).

Goodwill and intangible assets

We reassess the carrying value of goodwill and indefinite life intangibles annually, using discounted cash flow projections (see note 11, page 183). These incorporate short to medium-term climate impacts, extended into perpetuity.

Sustainability-related risks and opportunities continued

Climate-related risks and opportunities

The maximum unmitigated financial impacts per annum of the material climate-related risks and opportunities and how we are responding to them are presented in the tables below.

For transition risks and opportunities, the financial impacts relate to our Paris Agreement-aligned sustainable transition scenario. Physical risk impacts are based on our adaptation scenario.

Please see our full Climate-related Risks and Opportunities Analysis for the risk and opportunities assessment under each scenario: www.barrattredrow.co.uk/sustainability

Key

■ Gross risk score

Low ░▒▓█ High

Transition risks	**Gross risk score (sustainable transition)** 2028	2035	2050	**Estimated maximum unmitigated financial impact (£m)**	**Our response**
Housing regulations Changes in building regulations, for example the Future Homes Standard, and varying local planning conditions, lead to unaccounted costs and design changes.	▓	░	░	Increased build cost of sales by up to £30m	We engage extensively with Government and industry bodies to shape and anticipate regulatory change. This includes ministerial meetings, taking a leading role in the Future Homes Hub, and participation in cross-sector forums. We are committed to zero carbon homes, using innovative technologies tested through projects like eHome2. Our proactive involvement helps us prepare for evolving standards like the Future Homes Standard and local planning requirements.
Carbon pricing Increasing materials and subcontractor costs due to Government legislation to reduce emissions, and subsequent increased demand for low-carbon materials, for example carbon taxation on suppliers.	█	█	▒	Increased build cost of sales by up to £70m	Most carbon pricing exposure lies in our upstream supply chain. We're improving scope 3 data accuracy through supplier engagement, and the adoption of a quantity-based calculation methodology. We assess supplier performance and low-carbon material options to inform our transition plan and support emissions reductions aligned with our targets.
New technologies Failure to keep up with regulatory or technological advancements in construction, due to high capital investment, upskilling requirements or material unavailability.	▒	▓	▓	Increased build cost of sales by up to £30m	We support a just transition by helping address the UK's green skills gap. Our CEO chairs the Future Homes Hub and is a member of the Government's Net Zero Council. We also engage through Climate Change Committee roundtables and parliamentary groups, sharing insights on workforce and supply chain readiness for zero carbon homes.
Planning requirements Increased planning or site infrastructure requirements and varying interpretations of Government policy by local authorities result in reduced viability of land in certain regions.	░	▒	▓	Increased build cost of sales by up to £60m	We proactively manage evolving planning requirements through early engagement, expert input and strategic land assessments. Our Land and Development Leadership Group reviews all acquisitions for compliance and sustainability, integrating green spaces and renewable energy opportunities. Tools like our sustainability toolkit and landowner engagement materials help ensure planning consents are achievable and aligned with our sustainability goals.
Grid capacity Increased requirement for solar panels, air source heat pumps and other similar technology may result in increased pressure on the grid requiring unexpected cost contributions to increase capacity.	░	▒	░	Increased build cost of sales by up to £15m	We engage with energy providers and local authorities to assess future grid capacity needs linked to low-carbon technologies. Early stage energy infrastructure assessments are prioritised in our development planning to reduce the risk of delays or unexpected cost contributions.
Climate litigation Inaccurate or misleading sustainability claims may lead to accusations of greenwashing and non-compliance with advertising laws, resulting in climate litigation.	▒	▒	▒	Fines of up to 10% of revenue	We've strengthened internal controls to ensure sustainability claims align with the Green Claims Code. A structured review process, internal audits and targeted training support compliance. We also monitor evolving guidance to mitigate legal and reputational risks.

Sustainability-related risks and opportunities continued

Climate-related risks and opportunities continued

Key 🟩 Gross risk score

Low ░▒▓ High

Physical risks	**Gross risk score (adaptation)** 2028	2035	2050	**Estimated maximum unmitigated financial impact (£m)**	**Our response**
Overheating in homes Changes to house specifications required to mitigate long-term shift in climate patterns, such as prolonged increased temperatures in summer.	░	░	▒	Increased build cost of sales by up to £10m	We lead sector research on overheating through Energy House 2.0 and academic partnerships. Overheating is a key consideration for new product development, with ongoing supplier engagement, R&D and testing to develop innovative overheating solutions for volume housing to inform future designs.
Flood mitigation New site infrastructure required to mitigate extreme weather events, for example flood barriers and balancing ponds.	░	▒	▒	Increased build cost of sales by up to £5m	Our Land and Development Leadership Group reviews all land purchases for flood risk, and our developments typically exceed standard flood resilience requirements. Our engineering solutions include raised site levels, stormwater balancing and flood alleviation channels. Ongoing water risk assessments improve our understanding of flood risks, which informs our future water resilience strategy.
Weather disruption Disruption to build activity due to increased frequency of severe weather, including overheating, extreme cold, strong wind or heavy precipitation or damage to construction sites and infrastructure from extreme weather events.	▒	▒	▒	Increased build cost of sales and decreased revenues by up to £1m	We mitigate weather-related disruption through robust SHE protocols, real-time weather monitoring and adaptive scheduling. Timber frame construction reduces on-site build time and exposure to adverse conditions. In FY25, 69% of projects included SUDs or flood protection, and 4,544 homes used timber frame to enhance resilience and build efficiency.
Supply availability Reduced supply availability (such as timber) due to long-term shift in climate patterns and extreme weather events (such as wildfires or flooding) where we source supply.	░	░	░	Increased build cost of sales by up to £5m	We mitigate supply risks through certified sourcing, supplier audits and long-term agreements. All timber is required to be FSC/PEFC certified, aligned with our Timber Sourcing Policy. We assess timber via an annual timber survey and support capability building through the Supply Chain Sustainability School.
Water scarcity Increased water scarcity in some regions, hindering the ability to obtain land and planning permission for new developments.	░	░	▓	Increased build cost of sales by up to £10m	We assess water scarcity risks through scenario analysis, land acquisition reviews and value chain water footprinting. Our homes achieve 105 litres per person per day, exceeding water efficiency standards. Our Group Head of Infrastructure and Utilities chairs the HBF Water Matters Group, collaborating to enhance resilience and reduce freshwater dependency.
Residential land availability Delays to the securing of planning permission and/or exercise of strategic option sites, due to climate-related factors such as flooding, which can lead to cost write-offs or inflated acquisition costs.	░	▒	▒	Increased build cost of sales by up to £5m	We prioritise climate-resilient sites and environmental issues – including flood risk, water stress, peaty soils, and opportunities for green infrastructure and on-site renewables – are considered within land viability assessments, which are reviewed by the Land Development Leadership Group.

Sustainability-related risks and opportunities continued

Climate-related risks and opportunities continued

Key
🟩 Gross opportunity score
Low High

	Gross opportunity score (sustainable transition)				
Opportunities	**2025**	**2030**	**2050**	**Estimated maximum unmitigated financial impact (£m)**	**Our response**
Demand for and affordability of green homes Eligibility for green mortgages and cost savings from energy efficiency allow for a premium charge on new homes.	🟩	🟩	🟩	Increased revenues by up to £205m	We collaborate with lenders to develop green mortgage products that reflect the energy efficiency of our homes. Through industry forums and customer research, we promote affordability and access to sustainable homes. Our homes' lower running costs and environmental benefits continue to drive strong consumer interest and lender engagement.
Green developments Increased land buying and local partnership opportunities through strong low-carbon credentials and offer of low-carbon developments, for instance partnering with councils to deliver low-carbon homes.	🟩	🟩	🟩	Decreased land cost of sales by up to £65m	We leverage our sustainability credentials to secure land and planning consents, supported by land bidding toolkits and guidance for our teams. Strong landowner relationships and our track record in low-carbon development enhance our position as a partner of choice, enabling us to deliver sustainable, energy-efficient homes in desirable locations.
Cost of capital Our sustainability performance opens green financing opportunities, providing access to lower interest rates.	🟩	🟩	🟩	Decreased finance costs by less than £1m	Within our Building Sustainably Framework, we commit to exploring new green finance products. In FY23 we secured a Sustainability-Linked Loan against the Group's Revolving Credit Facility, aligned with our Sustainable Financing Framework. This structure supports our transition strategy while reinforcing access to capital on favourable terms. → See page 58 for detail on our engagement with banks and lenders
Sustainable practices Adopting low-emission materials and processes, ahead of regulation, provides a cost advantage and improves reputation.	🟩	🟩	🟩	Decreased build cost of sales by up to £10m	We invest in innovation, trials and partnerships to deliver zero carbon homes by 2030. Our roadmap includes research collaborations, prototype homes such as eHome2 and customer insights. Surveys show strong demand for energy-efficient homes, reinforcing our leadership in sustainable housebuilding and supporting long-term brand and reputational value.

Sustainability-related risks and opportunities continued

Climate-related metrics and targets

Our key focus areas are reducing emissions from our homes, improving energy efficiency and enhancing climate resilience for our customers. Our transition plan sets out additional metrics and targets that underpin our broader emissions reduction goals and transition risk management. These are monitored by our Sustainable Operations Group.

Our primary climate exposures relate to transition risks – particularly evolving building regulations and carbon pricing. Physical risks are limited, as our land appraisal process already accounts for hazards such as flooding.

Rather than applying a generalised percentage to physical risk exposure, we track risk-specific metrics, detailed in the table below.

- → Our transition plan is summarised on page 11, with further detail on our website: www.barrattredrow.co.uk/sustainability/building-a-net-zero-future
- ↗ Industry-specific metrics are in our SASB disclosure on our website: www.barrattredrow.co.uk/sustainability
- → Cross-industry metrics are in our five-year record on pages 232 and 233
- → For our climate risk exposures, see our climate risk register on pages 78 to 80

Metric and target status	Risk/ opportunity	Description	Target year	Baseline year	Performance[1]	Progress narrative
Scope 1 and 2 (market-based) emissions (tCO_2e) Target under development	Carbon pricing	We are in the process of developing a new, unified net zero target – see page 11 for more detail.	N/A	2021[2]	FY25 22,257 FY24 25,749 BP 45,603	Scope 1 and 2 emissions fell 14% this year, due to lower output, reduced fuel use, and 39% diesel substitution with HVO. Combined, we have reduced scope 1 and scope 2 emissions by 51% since 2021. → See page 11 for our transition plan
Scope 3 greenhouse gas intensity ($tCO_2e/100m^2$) Target under development	Carbon pricing	We monitor carbon pricing exposure via indirect emissions, using them as indicators of potential future regulatory cost increases. We are in the process of developing a new, unified net zero target – see page 11 for more detail.	N/A	2021[2]	FY25 124.07 FY24 155.42 BP 131.03	Scope 3 emissions intensity dropped 20% this year, mainly from reduced overheads and improved energy efficiency of sold homes. In FY25, we started to adopt a quantity-based method to better capture supplier and material impacts, which we will continue to develop in coming years. → See page 11 for our transition plan
Average Dwelling Emissions Rate (DER) for completed properties ($kgCO_2/m^2/yr$) Achieved	Housing regulations; demand for and affordability of green homes	The Future Homes Standard is expected to mandate a 75–80% reduction in DER compared to 2013 building standards for new builds.	2025	2022	TP 12.91 FY25 12.43 FY24 15.78 BP 15.89	Average DER improved by 21%, driven by the construction and sale of more energy-efficient homes, compliant with Part L 2021 building standards.
Home completions in year achieving an A or B EPC rating (%) Achieved	Demand for and affordability of green homes	New Barratt homes can unlock annual energy savings of up to £979 compared to older homes. Maintaining top energy ratings ensures we capitalise on opportunities for energy-efficient new homes.	N/A	2018	TP 99.0% FY25 99.1% FY24 99.8% BP 96.8%	Over 99% of our homes maintained an A or B rating, providing significant energy savings for customers.
Use of offsite-based products and systems in homes constructed (%) Achieved	New technologies; weather disruption; sustainable practices	Offsite production reduces build time and increases resilience to severe weather. In FY22, we accelerated our 2025 target to apply offsite-based products and systems to 30% of homes.	2025	2018	TP 30% FY25 31% FY24 33% BP 19%	We delivered 5,165 plots (31%) using MMC across the Group, exceeding our FY25 target of 30%. All plots were on Barratt sites, where standalone performance reached 40%.

TP Target performance BP Baseline performance

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[1] In accordance with our restatement policy, and consistent with SECR, GHG Protocol and SBTi guidance, we have restated previously reported GHG emissions to reflect material changes in our organisational boundary and methodology. Please see pages 234 to 236 for more details. Scope 1 and 2 emissions for FY25 are presented as if Redrow were part of the Group from the first day of the reporting period.
For non-GHG metrics, Redrow is included from the date of acquisition, 22 August 2025.

[2] 2021 is the earliest date of available data.

Climate-related metrics and targets continued

Greenhouse gas (GHG) emissions

In line with the GHG Protocol and our rebaselining policy, we have restated our emissions following the acquisition of Redrow plc. The table below presents our combined GHG emissions, with performance commentary provided on page 75 and details of the restatement impacts on pages 234 to 236.

Read more on our sustainability performance on our website: www.barrattredrow.co.uk/sustainability/esg-data-and-performance

See our website for our data reporting methodologies and assurance statements: www.barrattredrow.co.uk/sustainability/esg-data-and-performance

			2025	2024 Restated	2023 Restated	2022 Restated	2021 Restated
Scope 1		tCO$_2$e	**20,870***	24,094	33,596	33,033	38,425
Scope 2	Market-based	tCO$_2$e	**1,387***	1,655	2,082	2,146	7,178
	Location-based	tCO$_2$e	**10,279***	9,308	8,244	7,435	9,236
Total gross scope 1 and 2 emissions	Market-based	tCO$_2$e	**22,257**	25,749	35,678	35,179	45,603
	Location-based	tCO$_2$e	**31,149**	33,402	41,840	40,468	47,661
Scope 1 and 2 energy consumption		MWh	**161,994***	166,964	193,243	183,162	206,262
Carbon intensity (scope 1 and 2 emissions per 100m^2 of legally completed build area)	Market-based	tCO$_2$e/100m^2	**1.35***	1.46	1.69	1.58	2.06
	Location-based	tCO$_2$e/100m^2	**1.89***	1.90	1.98	1.82	2.16
Scope 3 category 1: purchased goods and services		tCO$_2$e	**1,012,987**	1,338,248	1,225,783	1,305,862	1,013,503
Scope 3 category 11: use of sold products		tCO$_2$e	**986,364***	1,343,060	1,636,704	1,725,244	1,819,752
Other scope 3 emissions		tCO$_2$e	**49,799**	52,415	64,282	62,929	62,828
Total gross scope 3 emissions		tCO$_2$e	**2,049,150**	2,733,723	2,926,769	3,094,035	2,896,083
Scope 3 carbon intensity (scope 3 emissions per 100m^2 of legally completed build area)		tCO$_2$e/100m^2	**124.07**	155.42	138.79	138.78	131.03
Total gross scope 1, 2 and 3 emissions	Market-based	tCO$_2$e	**2,071,407**	2,759,472	2,962,447	3,129,214	2,941,686
	Location-based	tCO$_2$e	**2,080,299**	2,767,125	2,968,609	3,134,503	2,943,744
Outside of scope emissions		tCO$_2$e	**5,564**	4,814	3,749	1,761	929

Our scopes 1, 2 and 3 GHG emissions have been measured in accordance with the operational control method of the GHG Protocol. All our scopes 1 and 2 GHG emissions arise in the UK. Emission factors come from DESNZ 'UK Government Conversion Factors for Company Reporting 2024'.

Scope 1 and 2 energy consumption comprises scope 1 energy consumption of 112,269 MWh* and scope 2 energy consumption of 49,725 MWh*.

Other scope 3 emissions is comprised of category 2: capital goods; category 3: fuel & energy related activities (6,585 tCO$_2$e)*; category 4: upstream transportation & distribution; category 6: business travel (5,964 tCO$_2$e)*; category 7: employee commuting; and category 12: end of life treatment of sold products.

Deloitte have provided independent third-party limited assurance in accordance with the International Standard for Assurance Engagements 3000 (ISAE 3000) and Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) issued by the International Auditing and Assurance Standards Board (IAASB) over selected metrics in the table and footnotes above identified with an *. For Deloitte's full unqualified assurance opinion, which includes details of the selected metrics assured, our full Carbon Reporting Methodology Statement and a full breakdown of scope 3 GHG emissions, see our website www.barrattredrow.co.uk/sustainability/esg-data-and-performance

Going concern

In determining the appropriate basis of preparation of the Financial Statements, the Directors are required to consider whether the Group can continue in operational existence for the foreseeable future.

Accordingly, after making enquiries and having considered forecasts and appropriate sensitivities, the Directors have formed a judgement, at the time of approving the Financial Statements, that there is reasonable expectation that the Group has adequate resources to continue to operate for the foreseeable future, being at least 12 months from the date of the Financial Statements. Therefore the Directors continue to adopt the going concern basis in the preparation of the Financial Statements. More information on the going concern judgement can be found in note 1 to the Financial Statements.

Viability Statement

In accordance with the Code, the Directors have assessed the prospects and financial viability of the Group over the longer term, considering both its current position and circumstances, and the potential impact of its principal risks. The Group's business model is presented on pages 20 and 21 and its future prospects are primarily monitored through the risk management processes detailed on page 66.

Assessment period

For the long-term viability statement, the Directors consider that a three-year review period is appropriate. This period is aligned to our operating framework of a 3.5 year owned land bank, and the time frame over which the majority of our risks have the potential to manifest. Additionally, the Group's bottom-up planning and forecasting cycle covers three years.

As environmental and climate change risks become more significant, the potential for moving towards a five-year review period will be considered for future viability assessments.

1. Assessment of viability

Business planning

The Group's business plan is based on site-level forecasts prepared by local management, considering current and expected future business conditions at a local and national level, including those impacting on expected profitability, cash flows, and funding requirements. Adjustments are made by Group management to reflect strategic planning.

Forecast outlook

The Group's business plan reflects the anticipated effects of the current economic environment. The Group is forecast to remain profitable and in compliance with financial covenants throughout the forecast period.

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Principal risks

The Group continues to be subject to its principal risks, which are detailed on pages 68 to 73. While the base forecast reflects the extent to which management consider these risks likely to manifest, it is possible that the impact will be more severe.

Considerations

There remain significant macroeconomic uncertainties, most notably over UK economic growth, consumer confidence and housing affordability. Supply chain pressures and government regulation, including in response to climate change, may also result in increased costs. Remediation costs on legacy properties may be higher than expected and synergies from the Redrow acquisition may take longer than planned to achieve.

2. Assessment of prospects

Scenario Testing & Modelling

To test resilience to adverse outcomes, the forecast performance of the Group over the next three years was stress-tested against scenarios based on principal risks and downside forecasts for the UK economy and housing market. This included a reasonable worst-case scenario in which the principal risks manifest to a severe but plausible level. The risks that were considered relevant are listed in the table on page 84. In the worst-case scenario, the impacts were applied in aggregate.

In addition, a reverse stress test was performed to determine the market conditions in which the Group would cease to be able to operate under its current facilities within the three-year review period.

Under these modelled adverse scenarios, it was assumed that the Group would undertake mitigating actions, primarily a reduction in investment in land and work-in-progress in line with the fall in expected sales, that would not compromise its ability to grow over the long term.

Outcome

Under the modelled scenarios, the Group can operate within existing facilities, meet its obligations, and remain compliant with financial covenants. The Group would also maintain its £150m headroom policy throughout the viability period. The likelihood of the change in market conditions required to result in a covenant breach is considered remote. Further mitigations are available to the Group should this situation arise.

3. Long-term viability statement

In addition to the ability of the Group to meet its obligations over a three-year period, the Directors have considered its prospects over the longer term.

Medium term

Macroeconomic challenges, including uncertainty over UK economic growth and housing affordability, may impact the housebuilding sector and planning risk continues to restrict development opportunities for the medium term. However, the Directors consider that the Group is uniquely positioned to drive sustainable growth through its differentiated brands and continue its targeted land buying through its diverse land channels.

Long term

Climate change poses a growing long-term risk to the Group. In line with the Task Force on Climate-related Financial Disclosures, the Board has reviewed the risks and opportunities out to 2050, including scenario modelling to test the Group's resilience. The findings and actions to help the business adapt and succeed in a changing environment are detailed on pages 74 to 82.

Viability Statement continued

Principal risks

The Group's principal risks are detailed on pages 68 to 73. The risks that were considered relevant to the viability assessment, and the impacts modelled in scenario testing, are detailed below. Whilst land and planning risk is considered high, its effects are more likely to materialise beyond the assessment period.

	Principal risk	Impact modelled	Group resilience to risk impact modelled	Mitigating actions to risk impact modelled
A,	**Political and economic environment**	A decline in demand, leading to a 5% reduction in forecast private average selling prices in FY26 and 10% lower than forecast thereafter, and a 10% reduction to forecast sales volumes in FY26 and 15% thereafter.	Geographic and product diversity allows for flexibility in response to market conditions whilst the diverse land bank allows for selective development of future sites.	In response to lower volumes, a reduction in uncommitted land investment, lower production and reduction in overhead base. Increased focus on affordable housing contracts and bulk sales to reduce reliance on private sales. Increased levels of sales incentives to maintain volumes in challenging economic environments.
C	**Government regulation**	Increased regulations on housebuilding, particularly in response to climate change. Increases in carbon pricing from FY26 at a level consistent with the action required to limit the global temperature rise to 1.5°C.	Continuous review of the operational and financial impact of building regulations, including the Future Homes Standard, to adapt and plan for compliance.	For further details regarding the Group's response to climate-related risks, see pages 74 to 82. An update on progress in developing a transition plan to net zero for the newly combined Group is shown on page 11.
E	**High-rise and complex structures**	A £100m increase in the legacy property provisions in FY26.	Strong balance sheet and net cash position along with good cost control through well-monitored build programmes.	The Group continues to work as quickly as possible to assess its legacy property portfolio and work with all stakeholders to design appropriate remediation strategies. For further details regarding the legacy property provision, see note 19 to the Financial Statements.
F	**Supply chain resilience**	A further increase in material and labour costs of 2% arising from shortfalls in supply and inflationary pressures.	Key supplier audit programme, centralised procurement and long-standing relationships ensure continuity of supply. Robust cost control through well monitored build programmes.	Development of multiple supplier relationships for labour and material supplies, with contingency plans should any key supplier fail.
J	**Redrow integration**	Expected synergies from the integration of Redrow are realised more slowly than forecast, leading to operating expenses being £10m than forecast in FY26.	A dedicated Integration Management Office was established to oversee the integration of Redrow. As the integration of the two businesses comes to a close the Integration Management Office will also be closed down.	Expected synergies will be tracked, monitored and reported to the Integration Steering Committee.

Conclusion

Based on this review, the Directors confirm that they have a reasonable expectation that the Group will continue in operation and meet its liabilities as they fall due over the three-year period of their assessment.

Beyond this period, as set out in this Strategic Report, the Group's key differentiators make it uniquely positioned to respond to challenges in the medium and long term to enable it to pursue its strategic priorities and achieve sustainable growth to deliver 22,000 total home completions per annum in the medium term.

Approval of the Strategic Report

The Strategic Report on pages 1 to 84 was approved by the Board and signed on its behalf by:

David Thomas
Chief Executive
16 September 2025