



# Delivering growth

Persimmon Plc Annual Report 2024

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## Our strategic framework

# Clear priorities with sustainability at the heart

### Our mission

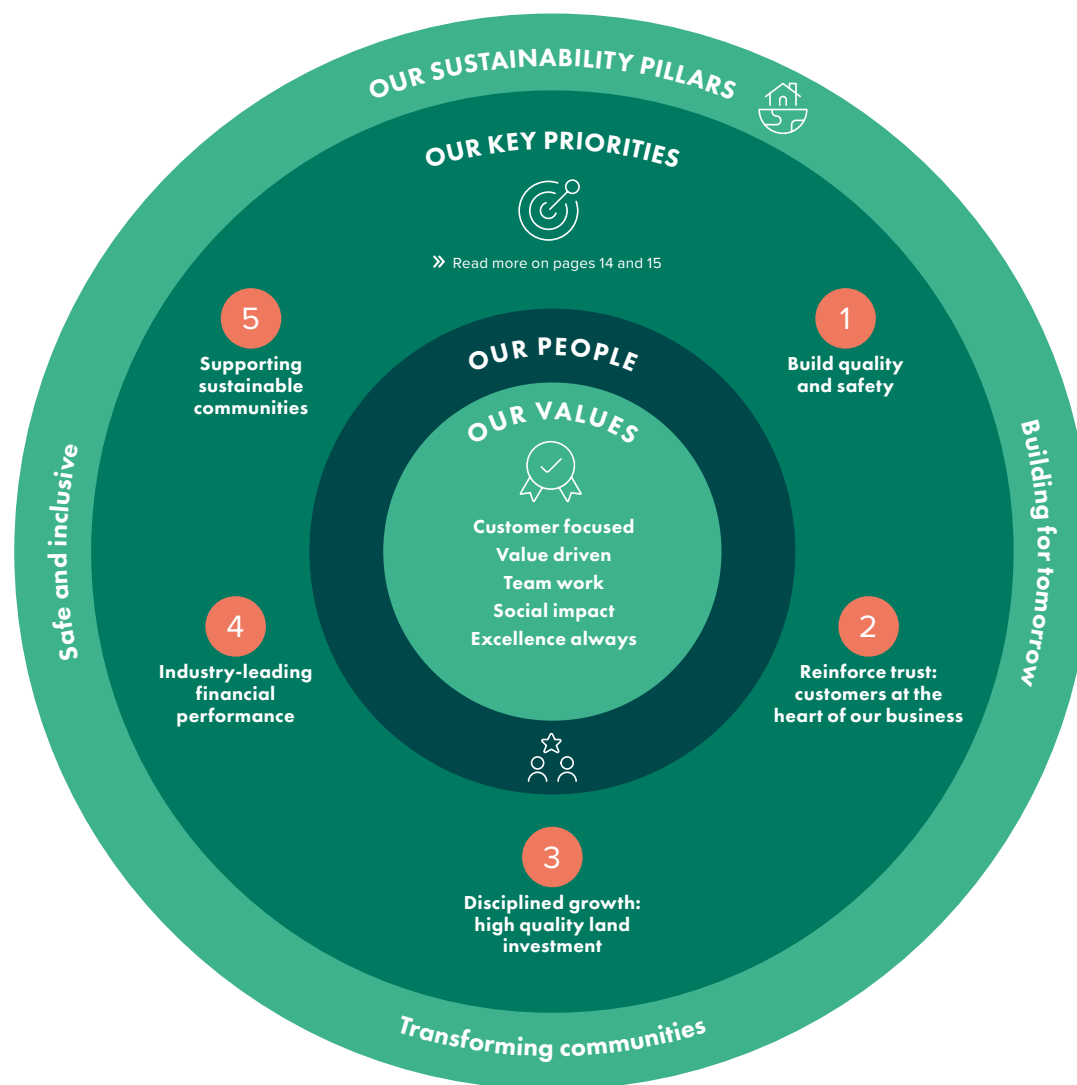
To build homes with quality our customers can rely on at a price they can afford.

### Our vision

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

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

## Delivered through our strategic framework



» Read more about this on pages 14 to 15

## At a glance

# Building for the future

Persimmon is a leading UK homebuilder and is well placed in a market where there is strong demand for new homes. We have a differentiated proposition focused on delivering high-quality homes at affordable price points for our customers, in an efficient and cost-effective manner.



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



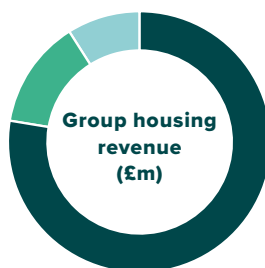
## Charles Church

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



**Westbury Partnerships** is our brand with a focus on affordable social housing. We sell these homes to housing associations across the UK. This brand plays a key part in the delivery of sustainable homes for the benefit of lower-income occupiers, offering solutions to some of the country's affordable housing needs.

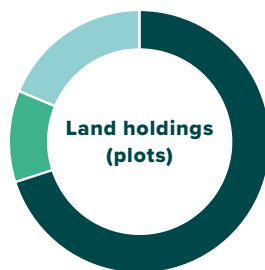
» Discover more at [www.persimmonhomes.com](http://www.persimmonhomes.com)



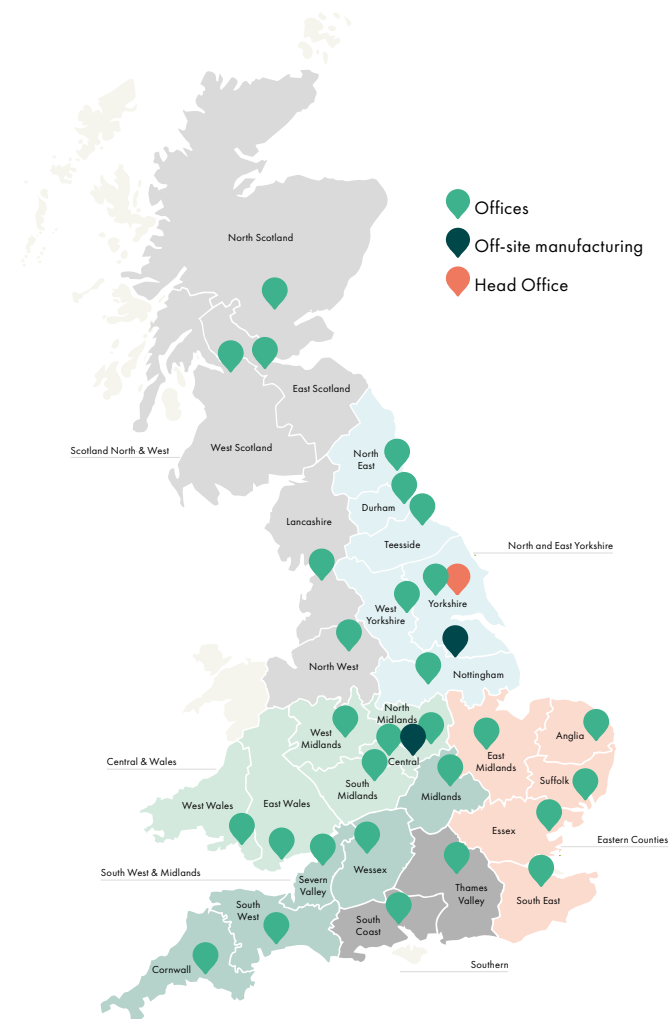
Persimmon Homes	2,222
Charles Church	384
Westbury Partnerships	257
<b>Total</b>	<b>2,863</b>



Persimmon Homes	8,128
Charles Church	947
Westbury Partnerships	1,589
<b>Total</b>	<b>10,664</b>



Persimmon Homes	57,472
Charles Church	9,235
Westbury Partnerships	15,377
<b>Total</b>	<b>82,084</b>



» Discover more about our locations online:  
[www.persimmonhomes.com/corporate/about-us/our-locations/](http://www.persimmonhomes.com/corporate/about-us/our-locations/)



## Highlights 2024

### Operational highlights

Number of new homes sold

**10,664**

2023: 9,922

Net private sales rate

**0.70**

2023: 0.58

Outlets at 31 Dec

**270**

2023: 258

Average selling price 2024

**£268,499**

2023: £255,752

Underlying operating profit<sup>1</sup>

**£405m**

2023: £355m

Return on capital employed ('ROCE')<sup>2</sup>

**11.1%**

2023: 10.5%

Cash at 31 Dec

**£259m**

2023: £420m

Owned land holdings (plots)

**69,189**

2023: 66,742

Dividend per share

**60p**

2023: 60p

### Sustainable

Investment in local communities<sup>3</sup>

**c.£2.2bn**

2023: £2.3bn

Customer satisfaction score<sup>4</sup>

**96.0%**

2023: 92.9%

Construction and supply chain jobs supported<sup>5</sup>

**c.79,000**

2023: c.76,000

#### Footnotes:

1. Stated before net exceptional charge (2024: £34.4m; 2023: £nil) and goodwill impairment (2024: £1.6m; 2023: £7.6m).
2. 12-month rolling average calculated on operating profit before net exceptional charge (2024: £34.4m; 2023: £nil), goodwill impairment (2024: £1.6m; 2023: £7.6m) and total capital employed. Capital employed being the Group's net assets less cash and cash equivalents plus land creditors.
3. The value of homes delivered to housing associations, the value of discounted open market value homes plus the value of planning contributions we have made over the last five years.
4. The Group participates in a National New Homes Survey, run by the Home Builders Federation. The rating system is based on the number of customers who would recommend their builder to a friend.
5. Estimated using an economic toolkit.

## Investment case

### Experienced teams

High-quality land bank and growing outlets



Three strong brands providing diversification



Build quality and customer service



Innovation and vertical integration



Strong balance sheet



Operating margin and ROCE ambition of 20%

Increasing shareholder returns

Supported by market fundamentals and a pro housing government

Volume Margin ROCE Shareholder return





## Chairman's statement

# Opportunity for everyone



**2024 marked the turning point with good progress on all metrics.**

**Roger Devlin**  
Chairman

### Introduction

**I am delighted that the Group's results deliver on our ambition of a strong return to growth in 2024, with a 7% increase in completions and a 10% improvement in underlying profit before tax<sup>1</sup>. But more importantly, I believe they mark the start of an exciting new growth phase for Persimmon.**

Over the past few years, we have been very clear that we needed to be building five-star homes that met or exceeded our customer expectations. We needed to build them safely and we needed to leverage our in-house supply chain effectively while continuing to buy land at the right price to increase the number of outlets we have open. I believe 2024 marked the turning point with good progress across the board, and we have achieved this whilst maintaining a strong balance sheet.

At Persimmon, we have three fundamental principles. First, we will protect our robust balance sheet and maintain a disciplined approach to investment in land. This, coupled with the significant improvements in our operational capabilities, has positioned the business for success over the next housing cycle.

Second, our commitment to build quality and customer care has improved both our brand and reputation in a highly competitive market. I am proud of our team's dedication and progress as evidenced by further improvement in our customer satisfaction score and the achievement of a five-star HBF rating for the third year in a row.

Third, vertical integration remains a key advantage and differentiates us from our peers. These key capabilities provide us with security of supply and support our drive to deliver high-quality, affordable homes consistently and cost efficiently, as demonstrated by our industry-leading margins.

These core elements to Persimmon's approach are reinforced by our recent disciplined investment in land, complemented by the current Government's pro-housebuilding agenda. The recent, and very welcome, planning reforms are creating a positive tailwind on the supply side, providing additional momentum towards our ambition of growing our outlets to at least 300.

With a greater focus on our three well positioned brands, we have the opportunity to drive further growth as this enhanced diversification for the Group caters to different customer segments.

Persimmon is well placed to drive further growth, delivering strong financial performance and value for our shareholders. I would like to thank all our employees and subcontractors for their dedication and hard work, which have been instrumental in driving our success.

1. Stated before net exceptional charge (2024: £34.4m; 2023: £nil), and goodwill impairment (2024: £1.6m; 2023: £7.6m)



## Industry leadership

I am proud to reaffirm our unwavering commitment to our building safety remediation programme and we are delivering ahead of the Government's Remediation Acceleration Plan timetable. The proactive measures taken in addressing our building safety remediation have meant we have completed or started works on over 70% of known developments or over 80% of accepted buildings and are on track to be on site at all developments by the end of 2025. We anticipate completing remediation works on the majority of the outstanding developments over the next two years.

During the year, the Board were pleased to meet with Dame Judith Hackitt, the former Chair of the Independent Review of Building Regulations and Fire Safety, to discuss our approach to building safety.

## Shareholder returns

Our Capital Allocation Policy balances cash returns to shareholders with business investment for future growth. For 2024, the Board proposes a final dividend of 40p per share, payable on 11 July 2025 to shareholders on the register at 20 June 2025, following shareholder approval at the AGM. This dividend, combined with the interim dividend of 20p per share paid in November 2024, totals 60p per share for the 2024 financial year.

## Board changes

We were delighted to welcome Andrew Duxbury as CFO in June 2024. Andrew is already making a significant contribution to the business and brings a wealth of experience to the team.

Additionally, Paula Bell and Anand Aithal joined the Board as Non-Executive Directors in September 2024 and January 2025 respectively. Paula has an extensive background in finance and strategic planning, which will help support the financial performance and strategic growth of the Company. Anand is an entrepreneur who brings significant experience in digital transformation and innovation, as well as Government relations, which will be invaluable as Persimmon continues to modernise its operations. The Board and I look forward to working with them both. We bid farewell to Shirine Khoury-Haq, who departed from the Board in September 2024 to focus on her Executive role, having served on the Persimmon Board for three years. We extend our thanks and best wishes to Shirine in her future endeavours.

## In conclusion

We believe we are well positioned for the future. This is as a result of the land and planning investments we have made in recent years, our vertical integration capabilities, and our excellent teams. This investment, coupled with the Government's ambitious planning reforms should drive more of the high-quality, affordable homes which are Persimmon's core strength, thus supporting our long-term growth ambitions.

**Roger Devlin**  
Chairman

10 March 2025





## Our markets

# Opportunity for the future

## Housing supply challenges

The UK continues to face a chronic undersupply of housing, exacerbated by population growth and the need to replace ageing housing stock. The Government has pledged to deliver 1.5m homes over this Parliament<sup>1</sup> equivalent to 300,000 new homes annually in England. Delivery is currently well below this with 162,710 new build dwelling completions in England in the year to June 2024<sup>2</sup>, adding to the housing crisis. The Government has an ambitious affordable homes programme and we expect this to be a growing market in the coming years.

The planning system and limited land availability pose significant barriers to meeting housing demand with delays in planning permissions, compounded by local authorities pausing or withdrawing their housing plans in late 2023, hindering housing delivery. In addition, there are a number of homes currently held up by Natural England environmental mitigation measures regarding nutrient and water neutrality. The Government has pledged to improve the planning system, including reinstating local targets and hiring additional local authority planners with changes to the National Planning Policy Framework announced in 2024.

### Our response

Despite the planning challenges we have not been waiting for policy changes to get approvals with the changes made to our planning approach over the past few years bearing fruit. During the course of 2024, we achieved planning on 13,064 plots, equivalent to 123% of plots utilised in the same period. This included a site in Bedworth which we acquired on outline planning in February 2024 and for which we achieved a reserved matters approval in December. We continue to engage proactively with policymakers to push for planning reforms and advocate for more streamlined, sustainable development processes.

## 1.5m homes Government target for new home additions over this parliament<sup>1</sup>

» Discover more at [www.persimmonhomes.com](http://www.persimmonhomes.com)

1. [www.gov.uk/government/news/housing-targets-increased-to-get-britain-building-again](https://www.gov.uk/government/news/housing-targets-increased-to-get-britain-building-again).
2. [www.gov.uk/government/statistics/housing-supply-indicators-of-new-supply-england-april-to-june-2024/housing-supply-indicators-of-new-supply-england-april-to-june-2024](https://www.gov.uk/government/statistics/housing-supply-indicators-of-new-supply-england-april-to-june-2024/housing-supply-indicators-of-new-supply-england-april-to-june-2024).

### Links to key priorities

- 1 Build quality and safety
  - 2 Reinforce trust: customers at the heart of our business
  - 3 Disciplined growth: high-quality land investment
- » Read more on pages 14 and 15

### Links to principal risks

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

» Read more on pages 72 to 75

## Affordability and market trends

The UK experienced a technical recession in late 2023 with two quarters of GDP decline. By early 2024, the economy had showed slight improvement, with estimated GDP growth of 0.8% in 2024, up from 0.4% in 2023<sup>1</sup>. While inflation has come down from the peak, helped by higher interest rates, the Consumer Price Index remains above the Government's 2% target which has led to concerns over interest rates staying higher for longer. This has a knock-on effect to mortgage rates and affordability remains a key barrier for customers, particularly first-time buyers post the removal of Help to Buy in late 2022. Over the past 12 months affordability has been on an improving trend as house price growth has not kept pace with wage inflation and mortgage rates have started to come down. As at November 2024, the average two-year fixed rate for all loan-to-value ('LTV') products had reduced to 5.39% from 6.29% a year earlier with two-year fixed rate 95% LTV mortgages at 5.83%, down from 6.14% a year earlier<sup>2</sup>.

Housing associations are currently facing funding challenges in relation to the purchase of homes delivered through section 106 agreements stemming from a perfect storm of rising costs, reduced funding, market pressures and policy uncertainty. This has created some uncertainty over demand for this tenure of homes in the short term while consultations over social rent increases and funding programmes are finalised.

Build to rent ('BTR') is becoming a more important part of the UK market, with a total of £5.1bn invested in 2024<sup>3</sup> of which c.50% was for single family housing.

### Our response

We continue to offer a range of homes at different price points with our core Persimmon Homes private average selling price of £273,318 well below the national average, offering quality homes which are affordable. With notable disparities in housing prices across the UK regions, our national coverage offers some protection from the more challenging markets in the South of England. We have been focusing on making sure we are making the most of our three strong brands. Our Charles Church brand offers a premium product and we are seeing the benefits of improved specification and opportunities for dual branding at sites alongside Persimmon Homes. We have also built relationships with partners in the private rental sector market and are seeing good demand for our high-quality homes for this growing segment of the market. Through our Westbury Partnerships brand we continue to work with partners to deliver high-quality homes for the affordable homes market.

1. [www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpmonthlyestimateuk/december2024#annual-overview](https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpmonthlyestimateuk/december2024#annual-overview).
2. [www.moneyfactsgroup.co.uk/media-centre/group/mortgage-product-choice-and-shelf-life-plummet/](https://www.moneyfactsgroup.co.uk/media-centre/group/mortgage-product-choice-and-shelf-life-plummet/).
3. [www.savills.co.uk/research\\_articles/229130/373389-0](https://www.savills.co.uk/research_articles/229130/373389-0).

### Links to key priorities

- 2 Reinforce trust: customers at the heart of our business
  - 3 Disciplined growth: high-quality land investment
  - 5 Supporting sustainable communities
- » Read more on pages 14 and 15

### Links to principal risks

- 1 UK economic and market conditions
  - 2 Government policy and political risk
  - 6 Land and planning
  - 11 Reputation
- » Read more on pages 72 to 75





## Labour and build cost pressures

The UK construction industry faces persistent challenges from labour shortages, driven by an ageing workforce and skills gaps, which limit productivity and increase build costs. Negative perceptions of the industry and a shrinking pool of skilled workers have exacerbated delays in meeting demand. To address these issues, the sector increasingly relies on apprenticeships and graduate programmes. While build cost inflation eased in 2024 compared to the highs of 2023, its impact continues to affect projects started before and during this period which are still under construction.

**412**  
apprentices within the business  
**c.79,000**  
supply chain jobs supported

» Discover more at [www.persimmonhomes.com](http://www.persimmonhomes.com)

### Links to key priorities

- 1 Build quality and safety
- 4 Industry-leading financial performance

» Read more on pages 14 and 15

### Our response

We mitigate as many of the supply chain challenges as possible by leveraging our vertically integrated manufacturing facilities and securing robust supply chain agreements to manage material costs.

Our proactive recruitment of apprentices and our partnerships with educational institutions will help address labour shortages in the long term and ensure continued productivity across our projects.

We believe that the strategic use of off-site manufacturing is essential for addressing skill shortages and enhancing construction efficiency in the longer term. We continue to work with partners on developing a commercial brick facade product for use with our timber frames which would significantly improve the speed of build. During the year we built a prototype house in five days from slab to roofed in using the brick facade at our Space4 factory in Birmingham; see more on page 13.

### Links to principal risks

- 1 UK economic and market conditions
- 2 Government policy and political risk
- 7 Supply chain
- 9 Skilled workforce, retention and succession

» Read more on pages 72 to 75

## Regulatory shifts

The planning environment continues to be challenging, although there are positive signs that this might improve under the new Labour Government. Labour has pledged to deliver 1.5m homes over the next parliament and reform planning to improve supply by reinstating local housing targets, prioritising affordable and sustainable homes, empowering local authorities and streamlining processes.

In February 2024, the Biodiversity Net Gain legislation came into effect requiring a 10% net gain on all new projects.

The upcoming Future Homes Standard ('FHS') is a UK Government initiative aimed at ensuring that new homes built in England are more energy efficient and environmentally friendly. It is part of the Government's broader strategy to achieve net zero carbon emissions by 2050 and while an exact date has not yet been set it is expected to come into force in 2027.

During the year, in addition to the Building Safety Remediation Programme, the Government proposed the introduction of a Building Safety Levy to fund the remediation of unsafe cladding on high-rise residential buildings. While the exact date or format for the implementation of these changes has not been specified it is expected to be towards the end of 2025.

### Links to key priorities

- 1 Build quality and safety
- 2 Reinforce trust: customers at the heart of our business
- 3 Disciplined growth: high-quality land investment
- 4 Industry-leading financial performance

» Read more on pages 14 and 15

### Our response

While planning reforms are expected to ease supply constraints in the medium-term, we are continuing to utilise our diverse, high-quality short-term and strategic land banks to meet market demand through our enhanced planning approach.

Our ongoing focus on sustainability, with trials of low-carbon building methods, ensures we remain aligned with regulatory expectations and broader environmental goals. In preparation for the forthcoming Future Homes Standard (FHS) and as part of our implementation of the New Build Heat Standard in Scotland, we have developed energy transition plans for all our developments. This ensures that we phase out the installation of gas boilers while considering the appropriate timescales and commercial needs. Ahead of the regulatory requirements, we have already started installing low-carbon design and heating solutions, such as air source heat pumps.

**13,064**  
plots achieved detailed planning  
in 2024

» Discover more at [www.persimmonhomes.com](http://www.persimmonhomes.com)

### Links to principal risks

- 2 Government policy and political risk
- 3 Climate change and sustainability
- 5 Legacy buildings
- 6 Land and planning
- 11 Reputation
- 12 Regulatory compliance

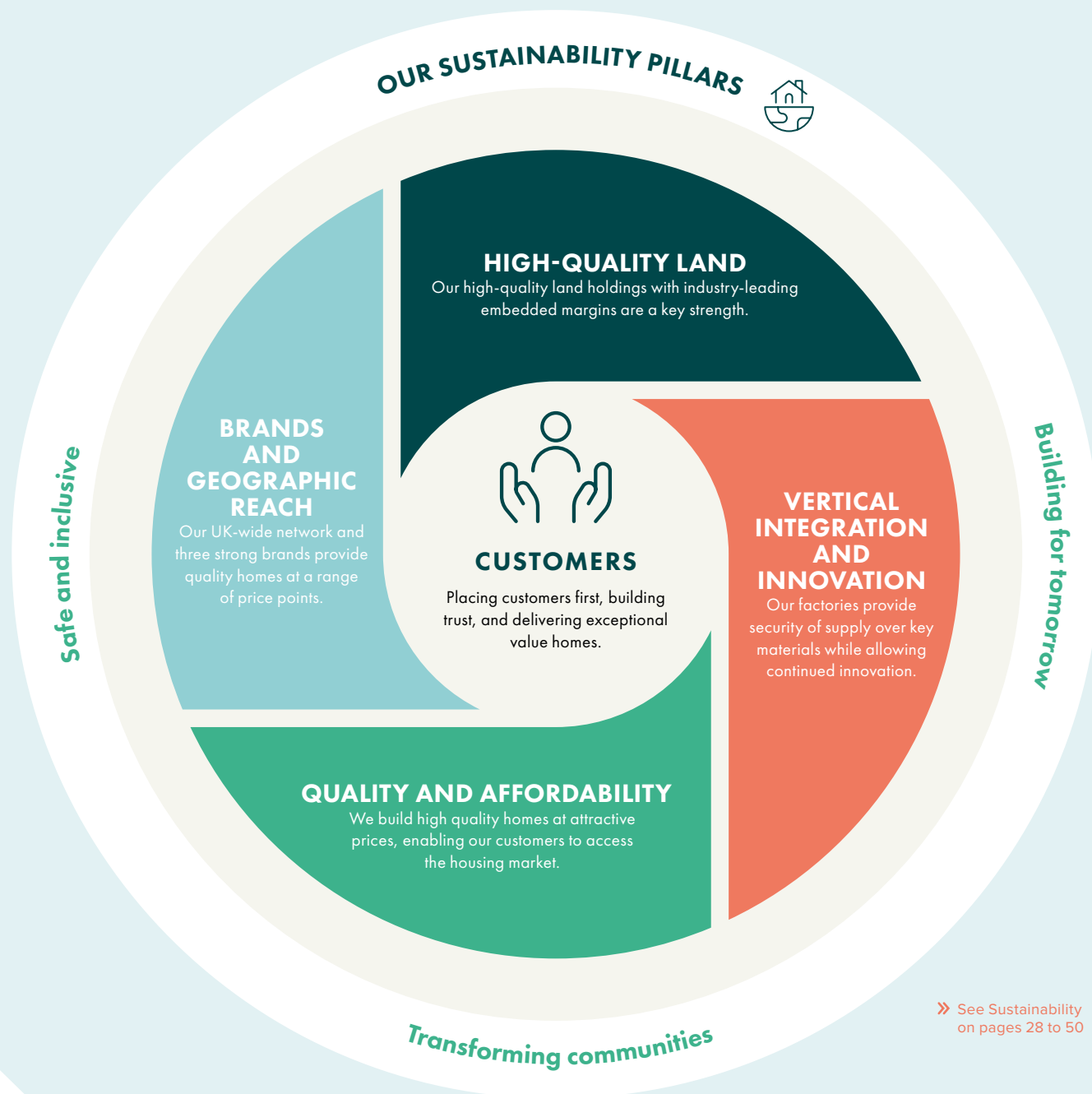
» Read more on pages 72 to 75

## Our business model

# What we do

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

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



» See Sustainability on pages 28 to 50



# The value we create



**Our improvements in customer service and build quality have ensured that prospective purchasers continue to choose Persimmon in a highly competitive market.**

Dean Finch  
Group Chief Executive

## Financial performance

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

### Financial strength

**£3.51 bn**

balance sheet net assets  
at 31 December 2024

### Capital returned to shareholders

**£192m**

in the year to 31 December 2024

### Resilient balance sheet

**£259m**

net cash at 31 December 2024

### Employment

**4,731**

direct employees at 31 December 2024

### Jobs supported

**c.79,000**

construction and supply chain jobs<sup>2</sup>

## Create sustainable communities

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

### New homes delivered

**10,664**

1,589 delivered to housing associations

### 'Homes for all'

**£273,318**

Persimmon Homes private average selling price  
c.20% lower than the UK national average<sup>1</sup>

### Investing in communities

**c.£2.2bn**

over the last five years

### Public open spaces

**484**

acres created<sup>2</sup>

### HBF score

**96.0%**

HBF survey – percentage of customers who  
would recommend Persimmon to a friend

1. Based on the Persimmon Homes private average selling price of £273,318 for the year to 31 December 2024 compared with the national average selling price for newly built homes sourced from the UK House Price Index as calculated by the Office for National Statistics from data provided by HM Land Registry.

2. Estimated using an economic tool kit.

## Our value chain

# Opportunity through vertical integration

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

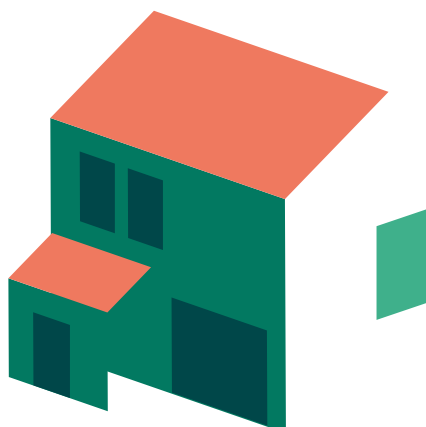
Through our vertically integrated capabilities, we will invest in innovation and technology to extend our low-cost strengths and enhance our five-star capabilities to enable as many people as possible to buy the homes we build.

**Capacity of current Space4 factory**

**6,250**  
units

**Bricks sourced from Brickworks in 2024**

**56%**



**space4**



Our **Space4** manufacturing business produces timber frames, highly insulated wall panels and roof cassettes as a 'fabric first' solution to the construction of new homes. Space4's MMC system helps us to improve site productivity (cutting seven weeks off build time), increase build capacity and mitigate construction industry skills shortages. Space4 supports all of our brands and supplied c.3,400 timber frame kits and roof systems to the Group in 2024. Our Space4 factory provides us with the unique ability to implement (among other initiatives) innovative 'fabric first' solutions to enhance the future efficiency of our homes.

**BRICKWORKS**



**Brickworks** produces concrete bricks and is entirely focused on supplying the Group's housebuilding operations. During 2024, Brickworks supplied c.49m bricks and block paving to 246 sites across the Group. This represented 56% of the Group's brick usage in 2024. The factory has the capacity to produce c.70m bricks per year giving us security of supply as volumes recover.

**TILEWORKS**



**Tileworks**, the Group's own concrete roof tile manufacturing facility, produces tiles solely for the Group. During the year, Tileworks supplied c.7m tiles to 238 sites across the Group. This represented 85% of the Group's tile usage in 2024.

**FibreNest**



**FibreNest** is the Group's own ultrafast, nationwide full fibre broadband service to the home, which aims to ensure all our customers are connected to the internet from moving in day. FibreNest provides ultrafast speeds coupled with excellent levels of service. At the end of 2024, there were over 44,000 connected customers across 425 housing developments.



## Group Chief Executive's statement

# Delivering growth



**Persimmon's disciplined investment and significant operational improvements in recent years have created a stronger business. This is demonstrated by our return to growth in 2024.**

Dean Finch  
Group Chief Executive



**Persimmon benefits from a strong balance sheet and a secure and growing pipeline of outlets, complemented by longer-term strategic land positions. Our decisions to sustain disciplined investment in new land, enhance sales and marketing, improve build quality and customer service and extend the efficiency benefits of our vertical integration have enabled us to build a better and more sustainable business. Our return to growth in 2024, with a 7% increase in completions and 14% improvement in underlying operating profit<sup>1</sup>, demonstrates the success of our approach.**

We are well placed to capture further opportunities. The Government's planning reforms and ambitious pro-house building agenda coupled with our strong land bank and enhanced planning approach, support our aim of operating from at least 300 outlets. Further investment in our digital marketing platforms and the targeted expansion of our three brands – each well positioned at the affordable end of their respective markets – will enable us to further increase volumes, driving growth and financial returns. A new automated production line in our Space4 timber frame factory will further enhance build efficiency and mitigate anticipated industry skills shortages. A second timber frame factory, together with innovations such as a brick facade product and construction management digitisation, will provide further efficiency benefits.

I am really proud of the Persimmon team for its dedication and hard work in recent years in positioning our business for sustained growth and success. I am pleased to welcome Iain McPherson as our new UK Managing Director and would like to thank Paul Hurst for his 28 years of dedicated service.

Persimmon has built a platform for longer-term growth, well placed to drive further margin improvement and enhanced returns.

### Trading performance

Our stated ambition was to capitalise on our enhanced operational capabilities and leverage our investment in land to return to growth as quickly as possible. These results demonstrate the success of this strategy as we delivered 10,664 new homes in the year (2023: 9,922). Enhanced sales and marketing led to a net sales rate of 0.70 per outlet per week which included a 0.13 per outlet per week contribution from bulk sales (2023: 0.07) as we took advantage of the growing institutional investor and Built to Rent ('BTR') market. Since the 2024 spring selling season, customer enquiries and sales rates have been consistently ahead of the prior year. Private average selling prices on reservations increased as the year progressed with incentives controlled at c.4.5% per gross reservation (2023: c.4.0%).

We are pleased to have achieved an underlying operating margin<sup>2</sup> of 14.1% (2023: 14.0%). Our vertical integration and operational efficiencies enabled us to mitigate the substantial impact of embedded build cost inflation coming into the year. These unique capabilities have helped underpin the margin performance and will help drive further growth.



## Group Chief Executive's statement continued

### Improving sales effectiveness

The benefit of our investment in our sales and marketing platforms and teams is evident in a 34% increase in website visitors and a 26% growth in enquiries in the year. This increased interest helped drive an improved net private sales per outlet per week of 0.70 (2023: 0.58), 0.57 excluding bulk sales (2023: 0.50).

We have three strong brands across the business in Persimmon Homes, Charles Church and Westbury Partnerships, providing diversification and the ability to realise our assets more efficiently. This strategy broadens our customer pool, with each brand's ambition to be the leading provider of value in their respective markets.

We have reinvigorated the Charles Church brand with an enhanced specification which will drive increased value for the business. Charles Church saw a 31% increase in private completions in the period demonstrating the initial progress we've made in capturing the demand in this market. Our newly promoted Deputy UK Managing Director will drive the brand's further growth.

We completed 1,456 bulk sales to investors in the period (2023: 780) and continue to expect this segment of the market to contribute c.10-15% of our future volume. Savills reported £5.1bn of investment in the BTR market in 2024, of which c.50% was for single family housing<sup>3</sup>. With the institutional investor and BTR markets presenting a large and growing opportunity, we will continue to develop long-term relationships to secure sales that enhance capital returns and accelerate delivery.

The Government has an ambitious affordable homes programme, and we expect this to be a growing market in the coming years. Our new UK Managing Director has significant experience in this market, complementing our improved relationships in this segment of the market. We anticipate growing our affordable homes delivery in 2025 with nearly all units secured for the year, demonstrating the benefit of our proactive engagement with housing associations and local authorities.

### Continued focus on build quality and safety sustainability

Our improvements in customer service and build quality have ensured that prospective purchasers continue to choose Persimmon in a highly competitive market. Recent investment in digitisation of on-site build processes is helping drive further improvement in build quality and efficiency, health and safety management and engagement with our customers.

The results of these improvements are clear. We have further improved our HBF eight-week customer satisfaction score<sup>4</sup> to 96.0% (2023: 92.9%), having maintained our five-star HBF rating for the third consecutive year. Reportable items improved by 7% to 0.26 in 2024 (2023: 0.28); this equates to a 60% improvement from the position in 2019. These efforts were also acknowledged in the industry's Pride in the Job Awards, where 19 sites received awards in 2024, more than double the number in 2023 and Persimmon's best results in at least a decade.

I am pleased that we continue to make good progress on our building safety remediation programme, ahead of the Government's Remediation Acceleration Plan targets. We have completed works or are on site at 73% of known developments or 82% of accepted buildings, with the remainder expected to be on site by the end of the year. Further detail is provided in the Financial Review.

### Land and planning success

We made a strategic decision to continue to invest in land in recent years at the right point in the cycle. Savills Greenfield Development Land Index<sup>5</sup> fell 9% from September 2022 to March 2024, with our disciplined investment in this period helping secure the strong embedded margins within our land bank. In the year, we successfully brought 13,404 plots into our owned and under control land holdings, a replacement rate of 126%.

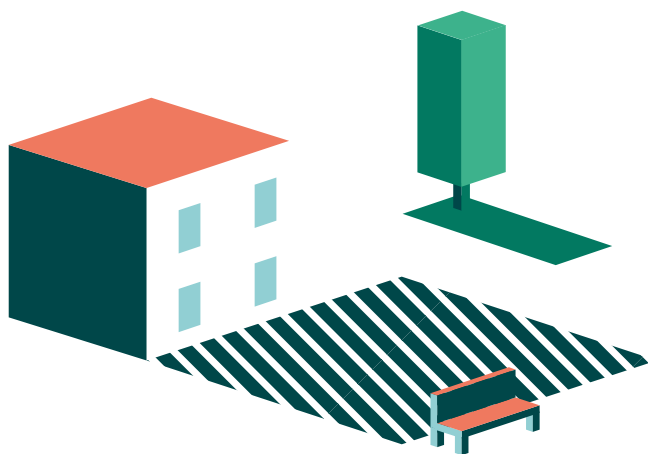
We have continued to focus on actions we can take to address challenges in the planning system to improve our performance. In the period, we secured detailed or reserved matters planning for 13,064 plots, reflecting a 21% increase from the previous year (2023: 10,809) and representing 123% of 2024 completions, demonstrating the success of this approach. The Government's revision of the National Planning Policy Framework will provide further helpful momentum in coming years.

Our approach is to proactively engage local authorities and find innovative solutions to address challenges. For example, our Anglia business developed its own nature-based nutrient mitigation solution at Guist, Norfolk, to treat both phosphates and nitrates. This solution will allow us to bring forward c.1,000 plots across three sites in a more timely and cost-effective manner than available alternatives.

Our sustained, disciplined investment in land and planning approval success positions the business for future growth. We ended the period with 270 outlets, a 5% increase from the previous year (2023: 258 outlets) against a backdrop of industry decline. We have a strong pipeline of new outlets to open in 2025 and remain on track to achieve our target of at least 300 outlets.

### Vertical integration providing efficiency and resilience in supply

Our Brickworks, Tileworks and Space4 factories are a differentiator and continue to provide a secure supply of cost-effective, high-quality materials to the business. We estimate that where we use our own bricks, tiles and timber frames we save up to £5,500 per plot, insulating us from supplier cost increases and providing a positive contribution to margin. In 2024, we sourced 56% of our brick (2023: 54%) and 85% of our roof tiles (2023: 81%) from our in-house factories.







Innovation will be key to the delivery of our growth and build efficiency ambitions. Anticipated skills shortages present a challenge to the whole industry particularly considering the Government's ambitious growth targets. New techniques that significantly shorten build times provide an opportunity for further efficiency gains and factory-assured high quality. Timber frame has a crucial role to play as it reduces the demand for scarce labour and typically shortens our build times by around eight weeks. This is why we have continued to invest in our existing Space4 factory, beginning the installation of a new automated line in early 2025 to further improve productivity, efficiency and quality of our timber frame product. We anticipate commencing work on our second Space4 factory in Loughborough this year, to further increase our capacity and range of timber frame products. We have also piloted further innovation, such as the combined use of our timber frame with the Mauer brick facade product. The combination of timber frames produced in our new factory and the Mauer facade provides the opportunity for a significant step-up in housing output, while securing additional savings through lower off-site manufacturing costs and even faster build times.

### Current trading and outlook

We entered 2025 with an improved forward order book and have added to it further since the start of the year. In the first nine weeks of the year our net private sales rate per outlet per week was 0.67, up 14% compared to the same period last year. The private average selling price in the current order book is up 3% compared to last year. Together, these improved sales rates and average selling prices means our current private forward sales position is £1.15bn, 27% higher year on year (2024: £0.90bn).

With this progress in our forward order book, alongside an anticipated increase in the delivery of affordable homes, we are targeting 11,000–11,500 completions for 2025. With the ongoing benefit of our improved operational capabilities and disciplined investment in our land holdings, we are on track to deliver further growth in profit and returns and an improved underlying operating margin again this year.

We are mindful of the ongoing macroeconomic and geopolitical uncertainties and their potential impact on delivery. The timing of any future interest rate changes is likely to impact prevailing customer confidence. Government policy and regulatory changes, such as the National Insurance increase and proposed Building Safety Levy, are adding costs to the business. We will continue to mitigate their impact through our relentless focus on cost control and efficiency, and we expect to be able to restrict build cost inflation to low single digits in the year.

The underlying market fundamentals remain strong, and Persimmon's disciplined investment and operational improvement in recent years mean we are confident the business will grow margins, returns and shareholder value over the medium-term. Our enhanced approach to planning is already helping to convert our sustained investment in land into new outlets and supports our target of at least 300 outlets. Our disciplined land buying incorporates the new regulations such as Future Homes Standard, Building Safety Levy, nutrient neutrality and Biodiversity Net Gain to preserve embedded margins.

Our investment in new technology is enhancing our sales and marketing, both driving greater customer interest and enhancing conversion rates. Our on-site digitisation has already secured operational, commercial and quality improvements and efficiencies, with more opportunities ahead. Enhanced automation in both our existing and new timber frame factories, coupled with innovations such as the combination with a brick facade product, means we have significant further build efficiency opportunities ahead.

With three strong brands, each positioned as good value products in their respective markets, we are well placed to increase volumes and returns. With this volume growth delivered efficiently given our investment and operational improvements, our overhead leverage will improve, further strengthening our margin. Taken together we believe we are well placed to deliver a medium-term margin and ROCE ambition of 20%, driving increasingly stronger shareholder returns.

**Dean Finch**  
Group Chief Executive  
10 March 2025

#### Footnotes:

1. Stated before net exceptional charge (2024: £34.4m; 2023: £nil), and goodwill impairment (2024: £1.6m; 2023: £7.6m).
2. Stated before net exceptional charge (2024: £34.4m; 2023: £nil), and goodwill impairment (2024: £1.6m; 2023: £7.6m) and based on new housing revenue.
3. Savills UK | UK Build to Rent Market Update – Q4 2024.
4. The Group participates in a National New Homes Survey, run by the Home Builders Federation. The rating system is based on the number of customers who would recommend their builder to a friend.
5. Savills Greenfield Index.

## Brick facade trial at Space4

We continue to seek further opportunities for innovation, including working with our partners on developing a brick facade product. During the year, we built a timber frame house using the facade at our Space4 factory. This trial saw the house built to roof, with the facade installed, within five days, demonstrating the clear opportunity for build efficiency and key supply chain resilience in the coming years.

» Discover more at [www.persimmonhomes.com](http://www.persimmonhomes.com)





## Our strategy



# Key priorities going forward

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

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

We continue to advance our systems and processes to improve our product for our customers while building high-quality, safe and sustainable homes. We drive value for our customers through an efficient and effective build programme and innovation in vertical integration and modern methods of construction.

## Strategic progress

NHBC Reportable Items

0.26

7% improvement

SAP rating<sup>1</sup>

86

average on our homes

Embedded in land bank

c.29%

gross margin

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

## 1 Build quality and safety

### What this means

Our mission is to build homes with quality our customers can rely on at a price they can afford.

We aim to consistently deliver high-quality homes to our customers, striving to 'build right, first time, every time'. Since being named as a 'Chartered Champion' for leadership and culture around building safety by the Building a Safer Future organisation, we are determined to remain an industry leader on building safety. We aim to build sustainably and minimise our impact on the environment.

### How we do it

- We have embedded The Persimmon Way, the Group's construction excellence programme, into our operations. This provides a comprehensive approach covering all aspects of our build programmes.
- Training our teams is key – the 'Persimmon Construction Pathway' provides an internal training programme for our site teams.
- Technology – we have developed a number of digital applications that assist our on-site teams to drive quality and efficiencies across the business.
- Innovation and vertical integration – we have our own timber frame factory and seek to enhance modern methods of construction. Our Brickworks and Tileworks factories have supplied relevant materials to over 235 sites this year.
- Quality assurance – we have a team of Independent Quality Inspectors that undertake inspections at certain key stages of the build programme.
- Health, safety and environment ('HS&E') – we have a team of HS&E Advisors that undertake frequent site visits to ensure that our sites are operating in ways that ensure the safety of all those on site.
- Building safety – we place significant emphasis on building safety and review our designs, procurement and operations regularly to ensure we are delivering safe homes for our customers.

### Progress

- Our Persimmon Way app has been fully rolled out across the business and to our subcontractors with c.55,000 users and around 7,000 signing in daily.
- Technology and innovation – we built a trial house at our Space4 factory using a brick facade, going from slab to roof in five days.
- Our National Homes Building Council ('NHBC') Reportable Items\* have improved by 7% in the year. Our NHBC Construction Quality Review ('CQR') score has improved by 440bps in the year.
- We continue to make good progress on remediating our legacy buildings having completed works or started on site on over 70% of our developments.

### Aligning to our sustainability strategy

- We are committed to operating efficiently, and have committed to reduce our operational carbon emissions by 46% by 2030.
- Where appropriate, our new sites have hybrid generators in order to reduce our diesel consumption. As a result of this measure, together with improved site efficiency, our diesel consumption has declined by 19% in comparison to the previous year.

\* The number of items reported on by the NHBC on inspections of our homes at key build stages.

## 2 Customers at the heart of our business

### What this means

We aim to be a trusted partner which reliably delivers an outstanding experience from the moment a customer starts their research into buying a home, through the sales journey and after occupation.

### How we do it

- We provide attractively priced, good quality homes.
- We offer a range of sales schemes and incentives that help our customers to overcome constraints, enabling them to purchase their dream home.
- We invest in our people, providing robust training pathways (a combination of in-house and externally accredited training) and improved tooling that delivers better employee experiences, in turn enabling our teams to better service our customers.
- We are looking to strengthen and develop all three of our brands, Persimmon Homes, Charles Church and Westbury Partnerships, with the growth in Charles Church and Westbury serving to create additionality to our customer base.
- We have placed an increased emphasis on marketing and continue to make improvements to our website and our customers' digital journey.
- We have dedicated customer service throughout our customers' journey.

### Progress

- We are delighted to have been awarded the HBF five-star rating for the third year in a row and pleased to report a 310bps improvement in customer recommendation on the NHBC eight-week customer satisfaction survey.
- Our Trustpilot scores continue to improve with Persimmon Homes scoring an average of 4.5 (2023: 4.2) and Charles Church 4.4 (2023: 4.1), reflecting our continued focus on customer service.

### Aligning to our sustainability strategy

- During 2024, we delivered over 5,000 homes in the year that have a form of renewable energy (48% of the homes delivered in the year). This is a significant increase from 2023 where we delivered over 1,500 homes with a form of renewable energy (17% of the homes delivered in 2023).
- The average SAP rating of our homes is 86 (equivalent to a 'B' EPC rating).
- Through our Placemaking Framework, we are integrating sustainability into the design of new communities, providing green spaces, sustainable transport and Biodiversity Net Gain.



### 3 Disciplined growth: high-quality land investment

#### What this means

We ensure our land investment opportunities meet our strict investment criteria, in high-demand locations where people wish to live and work, and take place at the right time in the housing market cycle.

#### How we do it

- Our experienced land, planning and design teams bring a consistent approach to our land buying.
- We work closely with all stakeholders, including land owners, local communities and local planning authorities, to deliver new housing in the areas of greatest need.
- We maintain high-quality consented land holdings, enabling the Group to be resilient to any volatile movements in the land market.
- We invest in strategic land, securing options on areas of land which will give a stronger return on investment in the future.

#### Progress

- 58 new sites acquired in the year, adding 13,404 new plots to our owned land holdings.
- Forward-owned land supply of 69,189 plots, equivalent to c.6.5 years at 2024 volumes.
- c.12,000 acres of strategic land at 31 December 2024, having added c.1,100 acres in the year.

#### Aligning to our sustainability strategy

- All our land acquisitions are subject to rigorous environmental and flood risk assessments, ensuring we respect the natural environment and mitigate against adverse environmental impacts.
- We assess our long-term strategic portfolio against climate risk, to ensure we are investing in land which is resilient to climate risk, and disclose in accordance with the TCFD framework.

### 4 Industry-leading financial performance

#### What this means

We aim to operate efficiently in all areas, providing a sound investment case, generating strong cash flows, maintaining financial flexibility, minimising financial risk and retaining financial strength by making well-judged assessments through the housing cycle.

#### How we do it

- We maintain a strong balance sheet supporting continued investment and future returns.
- We maintain high-quality land holdings through a disciplined approach to our land replacement.
- We place customers at the heart of our business by pursuing developments that deliver good quality new housing for the benefit of all potential occupiers.
- We exercise discipline and strong control over the Group's outlets and levels of work in progress ('WIP').
- We maintain strict levels of governance and financial discipline across all our operations and financial processes.

#### Progress

- Improved underlying housing operating margin to 14.1%.
- Net asset value per share of 1,096p.
- c.£500m investment in new land in 2024.
- Disciplined investment in WIP with build rates closely matching sales at 201 equivalent units per week.
- Net cash of £259m at 31 December 2024.

#### Aligning to our sustainability strategy

- Our investment in vertical integration through our in-house manufacturing, Space4, Brickworks and Tileworks, is a key contributor to efficiency, sustainable construction and reducing our carbon footprint, particularly as we increase our use of timber frames.
- We are progressing with our plans for a new Space4 timber frame factory with construction of the facility due to commence in 2025.
- We have built long-term strategic supplier relationships and framework agreements, embedding sustainability criteria as key requirements.

### 5 Supporting sustainable communities

#### What this means

We are committed to leaving a positive legacy in the communities in which we work. We are proud to deliver homes and provide jobs for local people in their local communities.

#### How we do it

- Our Placemaking Framework provides our site design teams with appropriate tools to deliver attractive communities close to local amenities and that promote customer wellbeing.
- We enhance local facilities, providing investment in local infrastructure (e.g. transport, education, retail and recreation facilities) through the planning system.
- The Community Champions scheme donates to charities, sports clubs and local community groups across the country.
- We deliver energy-efficient homes to our customers, making them less costly to run.

#### Progress

- 1,763 affordable homes\* provided.
- Donated c.£905,000 to 355 charities, sports clubs and community groups across the country through local donations and our Community Champions Fund.

#### Aligning to our sustainability strategy

- Our engagement in the wider community is very important to us and as well as providing local energy-efficient homes, local jobs and charitable donations we engage with the broader community including local schools.
- Through the planning process, we invest in local communities, providing green space, education and community buildings and this amounted to c.£115m in 2024.

\* Homes provided to our housing association partners and discounted open market value homes.

## Key performance indicators

# Financial

### New housing revenue

**£2,863m**  
+13%



» Read more on page 20

#### Definition

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

#### Why we measure it

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

Links to key priorities

2 3 4

### Forward sales at 31 December

**£1,146m**  
+8%



» Read more on page 13

#### Definition

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

#### Why we measure it

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

Links to key priorities

2 3 4

### Underlying new housing operating margin<sup>1</sup>

**14.1%**  
+10bps



» Read more on page 20

#### Definition

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

#### Why we measure it

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

Links to key priorities

2 3 4

### Underlying profit before tax<sup>2</sup>

**£395m**  
+10%



» Read more on page 20

#### Definition

Stated before net exceptional charge and goodwill impairment.

#### Why we measure it

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

Links to key priorities

2 3 4

Links to key priorities

1 Build quality and safety

2 Reinforce trust: customers at the heart of our business

3 Disciplined growth: high-quality land investment

4 Industry-leading financial performance

5 Supporting sustainable communities

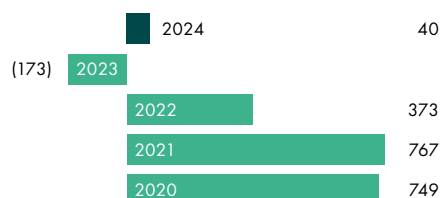
» Read more on pages 14 and 15



## Free cash generation<sup>3</sup>

**£40m**

+£213m



» Read more on page 22

### Definition

Net cash flow before financing activities.

### Why we measure it

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

Links to key priorities

2 3 4

## Net cash

**£259m**

-£161m



» Read more on page 22

### Definition

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

### Why we measure it

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

Links to key priorities

2 3 4

## Return on average capital employed<sup>4</sup>

**11.1%**

+60bps



» Read more on page 21

### Definition

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

### Why we measure it

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

Links to key priorities

3 4

## Net assets per share

**1,096p**

+2%



» Read more on page 21

### Definition

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

### Why we measure it

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

Links to key priorities

3 4 5

## Key performance indicators continued

# Non-financial

### Land holdings

**82,084**  
0%

2024	82,084
2023	82,235
2022	87,190
2021	88,043
2020	84,174

» Read more on pages 12, 15, 21 and 22

#### Definition

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

#### Why we measure it

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

#### Links to key priorities

3 4 5

### Customer satisfaction score

**96.0%**  
+310bps

2024	96.0
2023	92.9
2022	90.6
2021	92.0
2020	89.7

» Read more on pages 12, 14 and 53

#### Definition

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

#### Why we measure it

We put our customers at the heart of our business and ensuring they are satisfied is key to the Group's success. We were delighted to be awarded HBF five-star builder status again in 2024.

#### Links to key priorities

1 2 4 5

### Quality

**93.5%**  
+390bps

2024	93.5
2023	89.6
2022	86.6
2021	87.9
2020	84.7

» Read more on pages 12 and 14

#### Definition

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

#### Why we measure it

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

#### Links to key priorities

1 2 4 5

### Number of work-related incidents (RIDDORs)

**2.2**  
-21%

2024	2.2
2023	2.8
2022	3.6
2021	4.0
2020	3.4

» Read more on pages 47 and 48

#### Definition

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

#### Why we measure it

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

#### Links to key priorities

1 2 4 5

#### Links to key priorities

1 Build quality and safety

2 Reinforce trust: customers at the heart of our business

» Read more on pages 14 and 15

3 Disciplined growth: high-quality land investment

4 Industry-leading financial performance

5 Supporting sustainable communities





## Absolute Scope 1 and 2 carbon emissions (tonnes CO<sub>2</sub>e market based)

# 20,306



» Read more on pages 32 and 39

### Definition

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

### Why we measure it

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

### Links to key priorities

2 4 5

1. Based on new housing revenue (2024: £2,863.3m; 2023: £2,537.6m) and underlying operating profit (2024: £405.2m; 2023: £354.5m) (stated before net exceptional charge (2024: £34.4m; 2023: nil) and goodwill impairment (2024: £1.6m; 2023: £7.6m).
2. Stated before net exceptional charge (2024: £34.4m; 2023: £nil) and goodwill impairment (2024: £1.6m; 2023: £7.6m). Profit before tax after net exceptional charge and goodwill impairment is £359.1m (2023: £351.8m).
3. Free cash generation is defined as net cash flow before financing activities and before £nil of employers' National Insurance contribution payments in respect of share-based payments (2023: £nil, 2022: £nil, 2021: £nil, 2020: £0.7m, 2019: £13.9m).
4. 12-month rolling average calculated on underlying operating profit and total capital employed (including land creditors). Underlying operating profit is stated before net exceptional charge (2024: £34.4m; 2023: £nil) and goodwill impairment (2024: £1.6m; 2023: £7.6m).





## Financial review

# A strong performance in 2024



**The Group operates with a very strong balance sheet and delivered an improved financial performance and growth in the volume of new homes, as a result of our disciplined and strategic financial investment into the business.**

**Andrew Duxbury**  
Chief Financial Officer



**The Group generated total revenue<sup>1</sup> of £3.20bn (2023: £2.77bn), with new housing revenue 13% higher than 2023 at £2.86bn (2023: £2.54bn).**

In total, the Group delivered 10,664 new homes in 2024, 7% higher than in the prior year (2023: 9,922), at a blended average selling price up 5% at £268,499 (2023: £255,752).

Of these, 9,075 homes were delivered to private customers, an increase of 18% on last year (2023: 7,681) and representing 85% of total completions (2023: 77%). This greater weighting towards private sales reflects a more typical completion mix, after accelerating delivery of affordable homes in 2023 when private market conditions were weaker. The private average selling price of £287,162 was marginally up on the prior year (2023: £285,774) reflecting the strength of the market in some of our regions, offset by an increased use of incentives and an increase in the number of plots sold to investors. During the year, we completed the sale of 1,456 homes to investors, up from the 780 delivered last year, as we continue to strengthen our strategic relationships in this increasingly important part of the market.

The Group delivered a further 1,589 new homes to housing associations (2023: 2,241) at an average selling price of £161,916, 6% higher than the prior year (2023: £152,852). We are aware of the financial challenges facing many registered providers, and the impact on their ability to bid for s106 housing plots, and so are pleased that we have nearly all of our expected s106 housing delivery for 2025 already secured.

The Group's performance continues to be supported by our high-quality land portfolio, with land cost recoveries<sup>2</sup> of 11.9% of new housing revenue for the year (2023: 11.7%). The small increase in the year reflects the mix of completions and has resulted in a small decrease in the Group's underlying gross margin<sup>3</sup> to 20.3% from 20.5% last year. As a percentage of new housing revenue, build and other direct costs were flat year on year.

The Group's underlying gross profit<sup>4</sup> for the year increased by 12% to £582.4m (2023: £520.1m). The Group's reported gross profit for the year is £580.4m (2023: £520.1m) after exceptional items, as described below.

The Group has maintained its focus on cost control and has been able to increase its operating margin in the year. Underlying operating profit<sup>5</sup> for the Group increased 14% to £405.2m (2023: £354.5m), generating an underlying operating margin<sup>6</sup> of 14.1% (2023: 14.0%). On a reported basis operating profit increased 6% to £369.2m (2023: £346.9m) including the net exceptional charge described below.

The Group has reported a net exceptional charge of £34.4m (2023: £nil). This includes a net exceptional charge within gross profit of £2.0m (2023: £nil) in relation to the anticipated costs of the Group's commitments to the costs of removal of combustible claddings and other fire related remediation works (see below). The Group also recognised an exceptional charge of £25.0m in relation to the impairment of its investment and long-term loan notes in TopHat Enterprises Limited, which writes down the value of the investment and long-term notes to £nil, as well as a charge of £7.4m relating to costs incurred on professional fees associated with one-off projects, including for prospective M&A opportunities and the ongoing CMA investigation. These have been classified as exceptional given they are non-recurring in nature. Further detail is provided in note 4 to the financial information.

Net finance cost for the year was £10.1m (2023: £4.9m net finance income) being a result of lower average cash balances, increased utilisation of our £700m Revolving Credit Facility ('RCF'), £3.8m of imputed interest payable on land creditors (2023: £6.0m) and £7.4m of imputed interest payable on the legacy buildings provision (2023: £4.3m).

The Group generated an underlying profit before tax<sup>5</sup> of £395.1m (2023: £359.4m), and a reported profit before tax of £359.1m (2023: £351.8m).



The Group has an overall tax charge of £92.0m for the year (2023: £96.4m) and an effective tax rate of 25.6% (2023: 27.4%), lower than the standard rate of 29.0% (including both corporation tax and the Residential Property Developers Tax) (2023: 27.5%). The lower rate was driven by deductions arising from the finalisation of prior year tax returns, including one-off items in respect of the treatment of building safety remediation provisions, and we anticipate the rate reverting towards the standard rate in the future.

Underlying basic earnings per share<sup>5</sup> for the year was 92.1p, 12% higher than the prior year (2023: 82.4p). Reported basic earnings per share was 5% higher than last year at 83.6p (2023: 80.0p).

Underlying return on average capital employed ('ROCE') including land creditors was 11.1%<sup>7</sup>, higher than the prior year (2023: 10.5%) reflecting the increase in underlying operating profit<sup>5</sup> in the year. ROCE excluding land creditors was 12.2%<sup>7</sup> compared with 11.8% at 31 December 2023. On a statutory basis, ROACE including land creditors was 10.1%<sup>7</sup> (2023: 10.2%).

## Building safety

The Group has committed to make progress on its building safety remediation programme, as well as investing in future building quality. Our work has been recognised by our membership of the Building Safer Future Charter.

Across our legacy building programme, we continue our proactive approach of working with management companies, factors (in Scotland) and their agents to carry out necessary remediation as soon as possible. The table below sets out our detailed position at 31 December 2024, compared to 31 December 2023.

Of the total of 83 developments in our programme, 40 (48%) have already had any necessary works completed. Of the remaining 43 developments, 21 currently have work on site and 22 are at varying stages of pre-tender, live tender, progressing to contract or agreed contract and works starting very soon. As we actively progress the programme the number of developments at or before the tender stage has reduced by 37% to 10; and the number of developments on site or completed has increased 9% to 61.

	As of 31 Dec 2024	As of 31 Dec 2023
Identified developments		
Recently made aware and under investigation	1	2
Pre-tender preparation on-going	9	8
Live tender process	—	6
<b>Sub-total: progressing through tender</b>	<b>10</b>	<b>16</b>
Progressing to contract	8	7
Contracted but works yet to start	4	3
<b>Sub-total: pre-works starting</b>	<b>22</b>	<b>26</b>
Currently on site	21	17
<b>Sub-total: to complete</b>	<b>43</b>	<b>43</b>
Completed developments	40	39
<b>Total identified developments</b>	<b>83</b>	<b>82</b>
Cash expenditure in the year	£58m	£46m
31 December provision	£235m	£283m

During the year, the provision has been increased by £25.0m, following a review of the projected costs to complete rectification work, partly offset by the recoverability of VAT applicable to certain costs resulting in a net £2.0m increase in the provision. Due to the non-recurring nature of these changes, they have been disclosed as exceptional items to support the understanding of financial performance and improve the comparability between reporting periods.

We spent £58.1m on the programme in the year, with total aggregate expenditure now over £120m, whilst a further £7.4m of imputed interest was charged to the income statement through finance costs. The remaining provision at 31 December 2024 was £235.3m and the next 24 months are projected to be the peak period of cash expenditure on this programme. Given our own proactive approach, and the sustained significant publicity around cladding and building safety, we do not anticipate substantial new building additions into the programme.

## Competition and Markets Authority ('CMA')

On 26 February 2024, the CMA launched an investigation under Chapter I of the Competition Act 1998 into suspected breaches of competition law by eight housebuilders, including Persimmon, relating to concerns that it may have exchanged competitively sensitive information. On 10 January 2025, the CMA extended the timeline for the initial investigation by five months to May 2025. The Group continues to cooperate with the CMA in relation to its ongoing market investigation into alleged anti-competitive conduct by housebuilders.

## Balance sheet

Total equity increased by £0.09bn to £3.51bn at 31 December 2024 (2023: £3.42bn). This is after returning £191.8m of capital to shareholders through a final dividend of 40p per share in respect of the 2023 financial year and an interim dividend of 20p per share for the 2024 financial year. Retained earnings increased to £2.94bn (2023: £2.85bn). Reported net assets per share of 1,096p represents a 2% increase from 1,070p at 31 December 2023.

## Land holdings

A core strength of the business remains its disciplined approach to land replacement. Over the last three years we have maintained our selective land purchase strategy, positioning us well for the future as we look to grow our outlet position. At 31 December 2024, we had 270 outlets, 5% higher than 31 December 2023, and remain on track to increase outlets in 2025 as we position the business for further growth.

At 31 December 2024, the carrying value of the Group's land assets increased by 8% to £2,266m (2023: £2,104m), reflecting continued investment in the Group's future and our ongoing focus on converting owned land with outline planning permissions to implementable consents. The Group's land cost recoveries for the year of 11.9%<sup>2</sup> of new housing revenue is 20bps higher than the prior year, reflecting the mix of completions in the year, and remains an excellent position.

During the year, the Group brought 13,404 plots into its owned and under control land holdings across 58 locations throughout the country, of which 7,591 (57%) were converted from our strategic land portfolio.



## Financial review continued

### Balance sheet continued

#### Land holdings continued

At the end of the year, the Group had owned and under control land holdings of 82,084 (2023: 82,235) representing 7.7 years of forward supply at 2024 volumes. Owned plots totalled 69,189 (2023: 66,742) of which 40,430 have a detailed implementable planning consent, a 5% year on year increase, providing excellent visibility. The Group's owned land holdings represent 6.5 years of forward supply at 2024 volumes, with an overall pro-forma site gross margin<sup>8</sup> of c.29% (2023: c.29%) and a land cost to revenue ratio of 11.9%<sup>9</sup> (2023: 11.5%) which provides good confidence for future margin progression.

In addition to its owned plots, the Group controls 12,895 plots (2023: 15,493) through exchanged contracts. These contracts to acquire the site will be completed once all outstanding unfulfilled planning conditions have been satisfied. Cash invested in these under control plots is limited to deposits paid on the exchange of contracts and fees associated with progressing the sites through the planning system. During the year, the Group secured detailed or reserved matters planning for 13,064 plots (2023: 10,809).

The Group incurred net land spend of £437.0m during 2024 (2023: £397.8m), including £210.6m of payments in satisfaction of deferred land commitments (2023: £253.0m).

In 2024, the Group acquired interests in a further c.6,900 potential plots of strategic land opportunities resulting in a total of c.70,000 plots at 31 December 2024 (2023: c.79,500 plots). This will provide a long-term supply of forward plots for future development by the Group.

### Work in progress

At 31 December 2024, the Group had work in progress of 3,684 equivalent units of new homes under construction, 12% lower than the position we entered the year in (2023: 4,170). This decrease reflects the strong volume of completions in 2024, ahead of expectations, alongside good control of working capital. On average, overall weekly build rates tracked 2% higher in the year, with an average of 201 equivalent units of build per week, compared to 198 per week in 2023.

Our work in progress investment at 31 December 2024 of £1.43bn was in line with the prior year (2023: £1.43bn).

As at 31 December 2024, we owned 739 part exchange properties (2023: 591 properties) at a value of £154.4m (2023: £114.6m). Part exchange continues to be a key sales incentive for our customers, and we are progressing sales of part exchange properties promptly at around expected values.

### Cash generation and liquidity

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

At 31 December 2024, the Group had a cash balance of £258.6m (2023: £420.1m) with land creditors of £423.2m (2023: £372.0m), of which c.£240m are expected to be settled during 2025.

The Group generated £419.6m of cash from operating activities in the year (2023: £360.1m), before investing £232.7m in working capital (being principally £113.4m in net land and a £57.3m utilisation of the legacy buildings provision) and returning £191.8m of capital to shareholders through dividend payments (2023: £255.4m).

The Group's shared equity loans have generated £4.6m of cash in the year (2023: £5.7m). The carrying value of these outstanding shared equity loans, reported as 'shared equity loan receivables', is £29.0m at 31 December 2024 (2023: £32.1m).

During the year the Group's banking facility was extended by 12 months to July 2029, with the possibility of a further extension to 2030. The RCF is a 'sustainability linked' facility within the banks' finance frameworks, with ESG targets across the facility's term. The targets are consistent with the Group's science-based operational carbon reduction targets, our commitment to deliver net zero homes in use by 2030 and our long-standing ambition to deliver excellent development opportunities for our colleagues.

The Group's defined benefit pension asset has increased to £130.7m at 31 December 2024 (2023: £127.1m), the increase reflecting an increase in the discount rate assumptions applied to the scheme obligations offset in part by the underperformance of asset returns from that expected at the start of the year.

### Capital allocation

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

For 2024, the Board proposes a final dividend of 40p per share to be paid on 11 July 2025 to shareholders on the register on 20 June 2025, following shareholder approval at the AGM. This dividend is in addition to the interim dividend of 20p per share paid on 8 November 2024 to shareholders on the register on 18 October 2024 to give a total dividend of 60p per share in respect of the financial year 2024 (2023: 60p).

As we deliver on our medium-term growth ambitions, coupled with further progress on our fire safety remediation programme, we anticipate increasing our returns to shareholders.

### 2025 outlook

Although we are mindful of the potential impact from ongoing macroeconomic and geopolitical uncertainties, the underlying market fundamentals remain strong. Our current private forward sales position stands at £1.15bn, a 27% increase year on year (2024: £0.90bn). With this progress in our forward order book and an expected rise in the delivery of affordable homes, we are targeting 11,000-11,500 completions for 2025. Benefiting from our improved operational capabilities and disciplined investment in our land holdings, we aim to achieve further growth in profit and returns, as well as an improved underlying operating margin to between 14.2% and 14.5% for 2025.

The next two years are expected to see peak expenditure on our building safety remediation programme, with approximately £100m anticipated to be spent in 2025. The net cash position at the end of 2025 is currently forecast to be between £nil and £200m.

#### Andrew Duxbury Chief Financial Officer

10 March 2025

1. The Group's total revenues include the fair value of consideration received or receivable on the sale of part exchange properties and income from the provision of broadband internet services. New housing revenues are the revenues generated on the sale of newly built residential properties only.
2. Land cost value for the plot divided by the revenue of the new home sold.
3. Stated before a net exceptional charge of £2.0m (2023: £nil), and based on new housing revenue (2024: £2.86bn; 2023: £2.54bn).
4. Stated before a net exceptional charge of £2.0m (2023: £nil).
5. Stated before a net exceptional charge of £34.4m (2023: £nil), and goodwill impairment (2024: £1.6m; 2023: £7.6m).
6. Stated before a net exceptional charge of £34.4m (2023: £nil), and goodwill impairment (2024: £1.6m; 2023: £7.6m) and based on new housing revenue (2024: £2.86bn; 2023: £2.54bn).
7. 12-month rolling average calculated on underlying operating profit and total capital employed. Underlying operating profit is stated before net exceptional charge of £34.4m (2023: £nil), and goodwill impairment (2024: £1.6m; 2023: £7.6m). Capital employed being the Group's net assets less cash and cash equivalents plus land creditors. ROCE excluding land creditors is calculated on capital employed being the Group's net assets less cash and cash equivalents excluding land creditors. Statutory ROCE including land creditors is calculated on reported operating profit and capital employed with capital employed being the Group's net assets less cash and cash equivalents plus land creditors.
8. Estimated weighted average site gross margin based on assumed revenues and costs at 31 December 2024 and normalised output levels.
9. Land cost value for the plot divided by the anticipated future revenue of the new home sold.



## Our people

# Supporting our workforce

**At Persimmon Homes, our people are the cornerstone of our success. Their dedication, talent, and hard work drive our commitment to delivering high-quality homes and exceptional customer service.**

Our HR strategy is centred on attracting, retaining and developing top talent through comprehensive training programmes, robust succession planning, and a commitment to diversity and inclusion, ensuring that we continue to build a strong and dynamic workforce.

## Culture and talent

Our unique business culture fosters pride and happiness among our talented employees. This culture, combined with our people, is a key driver of our industry-leading margins. We are well positioned to address industry-wide skills shortages and continue to attract and retain top talent. Recently, we welcomed Andrew Duxbury as our new CFO and Iain McPherson as our new UK Managing Director, both bringing extensive expertise in housebuilding.

At Persimmon Homes, our commitment to attracting top talent and ensuring robust succession planning has yielded remarkable results. We have successfully attracted and promoted exceptional individuals such as Adele Jacques, who is now leading our Land Strategy team. Our award-winning trainees, including Thomas Tunnicliffe and Sam Veasey, have demonstrated outstanding skills and dedication, earning recognition at both local and national levels. These achievements highlight our ability to nurture and develop talent, ensuring a strong pipeline of future leaders and contributing to our continued success.

## Training and development

### Continuing our improvement

The introduction of new technologies and processes to enhance the performance of both our front-line colleagues and support staff has prompted a shift in priorities for the Group Training department. We continue to improve and refine our training offerings to support business growth and boost employee performance. The adoption of a new e-learning authoring tool, AI-driven video creation and upskilling of our team have accelerated the evolution of our digital content and training resources.

A key focus remains on build quality and enhancing the customer experience. The introduction of the Single Sale Principle has strengthened our sales teams and improved our sales training programmes. New programmes for contract managers have been launched to facilitate the onboarding of new managers and support the internal development of future leaders in this role.

Additionally, enhanced customer care programmes, developed in collaboration with the Institute of Customer Care, have led to our internal team being accredited to deliver the ICS First Impressions qualification. A new customer-centric training programme is being rolled out across all management levels and departments, further driving our commitment to a customer-first culture.

In 2024, our training initiatives also focused on staff wellbeing, introducing programmes on mental health for managers, understanding neurodiversity and menopause in the workplace. Our in-house accredited trainers have played a key role in this effort, leading to the establishment of 274 Mental Health First Aiders across the business, training over 100 managers in mental health awareness, and providing menopause awareness training to approximately 200 staff members.

## c.270

Mental Health First Aiders



**As we continue to foster a culture of pride and happiness among our talented employees, it is essential to support their growth and development through comprehensive training programmes that enhance their skills and prepare them for future leadership roles.**





## Our people continued

### Persimmon's apprenticeship programme

Persimmon has a proud history of training site operatives through its apprenticeship programme, continuing to recruit 91 apprentices this year despite challenging market conditions. Apprenticeships are central to our workforce development strategy, ensuring a pipeline of skilled talent for the future.

Over the past five years, our programme has grown significantly, with more than 500 apprentices completing their training since 2019. Our completion rate stands at an impressive 80%, far exceeding the industry average of 52.4%.

The quality of our apprenticeships is reflected in the success of our participants, many of whom have won prestigious awards. Persimmon apprentices have been recognised at national competitions and Skill Build events, and as local college Apprentices of the Year.

One standout apprentice is Chantelle Muir, a bricklayer who joined us in 2022 through the Target 50 campaign. Chantelle has achieved multiple accolades, including Pam Gosal MBE MSP's Regional Apprentice of the Year and Ayrshire College's John Mather Award. She also represented Ayrshire College at the regional Skill Build competition, securing second place.

This year, Chantelle was a finalist in our Excellence Always Award for Trade Apprentice of the Year, underscoring her exceptional progress and dedication.



Persimmon Brickwork Apprentice  
Chantelle Muir with Pam Gosal MBE MSP.



**It is fair to say Chantelle has a very bright future ahead of her and we believe she will develop into greater things within Persimmon in the years to come.**

**William Smith**  
Apprentice Manager – Scotland

### Training and development continued

#### Training delivery

The ongoing growth of our in-house training team has been demonstrated through increased flexibility and enhanced support across the business in adopting new processes, systems and compliance requirements. Our Training department continues to play a crucial role in supporting the rollout of key improvement programmes, delivering bespoke, timely and flexible interventions. This in-house capability allows us to schedule training conveniently for colleagues and respond swiftly to market changes or new industry standards.

Our expert team ensures that accredited generic programmes are tailored to the specific needs of our business and the homebuilding industry, integrating them into our wider training initiatives. This approach helps embed essential practices into everyday operations.

Feedback from attendees consistently shows high satisfaction with our training, with 99% recommending it to colleagues and 97% finding it an effective use of their time. The introduction of a structured academy approach, supported by partnerships with external organisations and industry-recognised bodies, will further elevate the professionalism and skills of our teams.

The digitisation of our training offerings will enhance the learning experience, providing employees with greater access to high-quality e-learning at their convenience, giving them more control over their development.

In 2024, Persimmon staff attended approximately 15,350 training and development days (2023: 14,600). Around a third of these sessions were delivered remotely. We also had 587 apprentices and trainees on programmes (2023: 720), with 412 participating in formal apprenticeships (2023: 430) representing an additional c.16,000 training days dedicated to structured qualifications.

**99%**  
of staff would recommend our  
training to colleagues





## Award-winning training



After receiving the 2023 Princess Royal Training Award for our Sales Excellence Programme, emphasising quality and service in the customer journey, we are proud to receive this honour again for a second consecutive year. This year's award recognises our Personal and Management Development Programmes, which help Persimmon staff advance into management roles with the highest professional standards.

The Personal Development Programme helps managers understand their strengths and management styles, forming the foundation of our management pathway. Building on this, the Management Development Programme equips them to effectively lead teams. To date, over 500 colleagues across all operations have benefited, with 80 promoted after completion.

Sponsored by City & Guilds, the Princess Royal Training Award honours organisations committed to exceptional learning and development. The judging panel praised our focus on emotional intelligence in management training and its positive impact on our people culture, noting lower attrition rates among programme participants compared to our general management population.

## Talent development and succession planning

In 2024, Persimmon Plc made significant strides in enhancing diversity and inclusion, focusing on increasing the representation of female employees and those from ethnic minority backgrounds.

Our Leadership Development Programme continues to progress well, with high-calibre participants from across the Group.

The Advanced Management Programme ('AMP') targets high-performing individuals in junior and middle management roles. With 14 cohorts delivered or underway, the AMP is making a significant impact across the Group, helping to develop and retain high-potential talent.

### Future talent graduates and apprenticeships

Our commitment to future talent is evident in our Graduate Scheme and apprenticeship programmes. The fourth cohort of graduates joined us in September. In 2024 we supported 412 apprentices, with a strong emphasis on diversity and inclusion, the quality of training and pastoral care.

In summary, Persimmon Plc's Talent Strategy in 2024 has been instrumental in developing our leaders, supporting succession planning, and fostering a diverse and inclusive workforce. We remain committed to investing in our people to drive the Company's growth and success.



## Diversity and inclusion

In 2024, Persimmon Plc made significant strides in enhancing diversity and inclusion ('D&I') within the Company. Our efforts focused on increasing the representation of female employees and those from ethnic minority backgrounds.

Creating an inclusive environment where diversity is embraced is a priority for us. The gender split improved from 24% female employees in 2021 to 30% in 2024. We have established network groups for female and LGBTQ+ employees plus a discussion group for ethnic minority colleagues. Our externally assessed D&I audit result showed progress, moving from Bronze to Silver. We have also created a D&I dashboard to track progress and increased D&I employee data from 17% to 55% of employees.

**Gender diversity:** Female representation among our 4,731 employees rose to 30%, with notable progress in senior roles. Currently, 35% of senior positions are held by women, including key promotions such as Claire Burton as Managing Director and Adele Jacques as Group Strategic Land Director. We have implemented various initiatives to support female talent, including leadership programmes, individual coaching and targeted recruitment.

**Ethnic diversity:** We have improved our data collection on employee ethnicity, now covering 64.5% of our workforce. Of these, 3.1% are from ethnic minority backgrounds. Our action plan includes targeted recruitment, extensive training and setting ambitious targets to increase ethnic minority representation in senior roles.

**Future goals:** By 2030, we aspire to foster a more diverse and inclusive workforce, with a particular focus on increasing diversity representation among our employees and leadership.

## Our people continued

### Employee engagement and wellbeing

We provide an exceptional employee experience. In 2024, our engagement score was 81%, surpassing the external benchmark by six points. Colleagues are committed to our purpose and strategy with 80% believing in our mission, vision and values. Employee perception of the quality of our homes continues to grow each year. Our wellbeing scores have strengthened since 2022, and we have made significant progress in fostering a speak-up culture, with 73% of employees feeling they can voice concerns without fear of repercussion.

#### 'Your Say' Employee Engagement Survey

The overall colleague engagement remains stable at 81%, with notable improvements in IT systems and equipment. Colleagues have observed significant enhancements in the quality of homes produced by Persimmon (74%), and there is a general sense of pride (73%) and commitment among the workforce (90%). Customer service metrics also show continuing improvement year on year, with colleagues feeling that Persimmon provides better quality service to customers both before and after the handover of their homes.



### Our overall engagement score

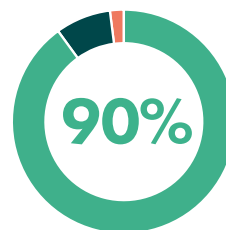
81%



▲ 6 vs. benchmark

▶ 0 vs. 2023

▼ 2 vs. 2022

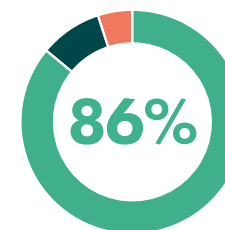


I am committed to Persimmon and what it is trying to achieve

▲ 10 vs. benchmark

▶ 0 vs. 2023

▼ 2 vs. 2022



I am motivated to do my best at work

▲ 16 vs. benchmark

▼ 1 vs. 2023

▼ 3 vs. 2022

### Persimmon has a clear strategy for the future

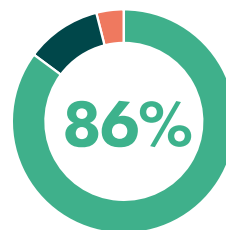
81%



▲ 10 vs. benchmark

▶ 0 vs. 2023

▼ 1 vs. 2022

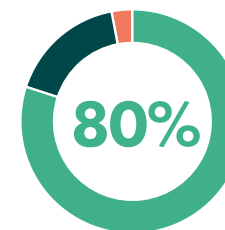


I have a clear understanding of Persimmon's Mission, Vision and Values

N/A vs. benchmark

▲ 2 vs. 2023

New vs. 2022



I believe in Persimmon's Mission, Vision and Values

N/A vs. benchmark

▲ 1 vs. 2023

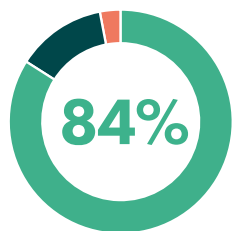
New vs. 2022

Key:

■ Positive ■ Neutral ■ Negative

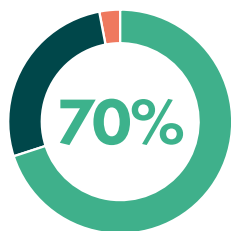


## Customer service



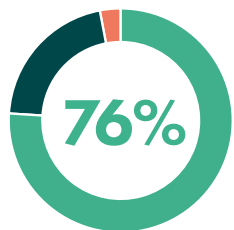
**At Persimmon, we always aim to provide good customer service**

▲ 8 vs. benchmark  
▲ 1 vs. 2023  
▲ 2 vs. 2022



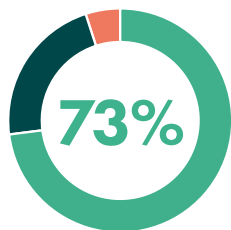
**When making decisions, people around me always take into account what's best for their customer**

▲ 6 vs. benchmark  
▲ 4 vs. 2023  
▲ 8 vs. 2022



**Persimmon provides good service to customers before the handover of their home**

N/A vs. benchmark  
▲ 7 vs. 2023  
▲ 6 vs. 2022



**Persimmon provides good service to customers after the handover of their home**

N/A vs. benchmark  
▲ 6 vs. 2023  
▲ 6 vs. 2022

## Recognition and rewards

We have revamped our remuneration structure, driving significant progress in build, service and quality. During 2024 we introduced a new sales recognition scheme and an additional sales incentive bonus to support target achievement. Our pension Salary Sacrifice for monthly employees has a 90% take-up. Additionally, we implemented a voucher platform for sales recognition and to support long-term Group recognition and long-service plans.

## Future plans

Looking ahead, we are committed to attracting, retaining and developing top talent. We will provide tailored support and development for senior leaders, ensuring robust succession for all key roles and preparing functional directors for the transition to broader and more complex MD roles. We are excited about broadening our Academy offering for MDs and new entrants, as well as commercial, planning and technical teams. Our continued investment in our people includes modernising our onboarding, learning, performance, talent management tools, and core HR and payroll systems.



## Sustainability

# Sustainability pillars

We have continued to focus on three key sustainability pillars to drive our strategic performance and focus throughout 2024. Aligned with the Group's five key priorities, our pillars ensure that sustainability is a core part of the Group's operations.



## Building for tomorrow

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

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

### Key priorities

- We are committed to reducing our carbon emissions and have approved near-term science-based targets for our operations and indirect emissions (i.e. our homes in use and our supply chain).
- We aim to be net zero carbon for our homes in use by 2030, and in our operations by 2040 (see pages 30 to 38), and have established a decarbonisation pathway to achieve our targets.
- We are progressing with the approval of long-term carbon targets with the SBTi to be net zero by 2045.
- We aim to have 50% of our homes built using timber frames from our off-site manufacturing facilities in the medium term.

» Read more on pages 30 to 40

## Transforming communities

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

- Creating sustainable places for our customers is at the heart of what we do. Our Placemaking Framework guides all our developments and ensures we create lasting sustainable communities with great design, the right house types and valued green open spaces.
- We make a positive local impact when building new homes, meeting stakeholder expectations and engaging with residents.

### Key priorities

- We are committed to maintaining an HBF five-star rating for our customer satisfaction.
- We are committed to delivering high-quality homes. Our NHBC Reportable Items reduced to 0.26 for the year ended 31 December 2024.
- We are committed to delivering at least a 10% Biodiversity Net Gain on all new developments.
- We have signed up to the Future Homes Hub Homes for Nature commitment, to support the protection of endangered species and provide homes for wildlife.
- We have specific and measurable commitments on every site to leave a positive and lasting legacy for the communities in which we operate.

» Read more on pages 41 to 45

## Safety and inclusion

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

- Recruiting and retaining the right people means we deliver our five key priorities and provide excellent customer service.
- It is a priority that our processes meet stringent standards to ensure safety and wellbeing. In 2024, we have implemented our Target Zero initiative, a bespoke safety excellence commitment.

### Key priorities

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

» Read more on pages 46 to 50



# Sustainability highlights

## Community Champion donations

**c.£699k**

2023: c.£627k

## Trees planted on our developments

**c.146,068**

2023: c.145,840

## Operational waste recycled

**98%**

2023: 98%

## Public open spaces and gardens provided for families

**484 acres<sup>1</sup>**

2023: 452 acres

## Low-carbon heating solutions installed instead of gas boilers

**671**

2023: 185

## Tonnes of greenhouse gas emissions per home sold

**1.90**

2023: 2.21

## Average SAP rating of our homes

**86**

2023: 84

## Investment in local communities over the last five years

**£2.2bn**

2023: £2.3bn

## Affordable homes

**1,763<sup>2</sup>**

2023: 2,402

## HBF customer satisfaction score



1. Estimated using an economic tool kit.

2. Homes provided to our housing association partners and discounted open market value homes.



## Sustainability continued

# Building for tomorrow

In this pillar:

- 1 Progressing towards net zero
- 2 Greenhouse gas reporting
- 3 Creating a responsible supply chain

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

# 86

equating to an EPC 'B' rating

Average dwelling emission rate of our homes (kgCO<sub>2</sub>e/m<sup>2</sup>/yr)\*

# 14.73

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

## 1 Progressing towards net zero

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

During 2024 we developed long-term net zero carbon reduction targets in accordance with the Science Based Targets initiative's (SBTi) Corporate Net-Zero Standard. These are being progressed with the SBTi for approval.

We have set ambitious carbon reduction targets for our operations (Scope 1 and 2) and from our indirect activities (Scope 3). Our proposed long-term targets have an end date of 2045 and require a reduction in absolute carbon emissions of circa 90%.

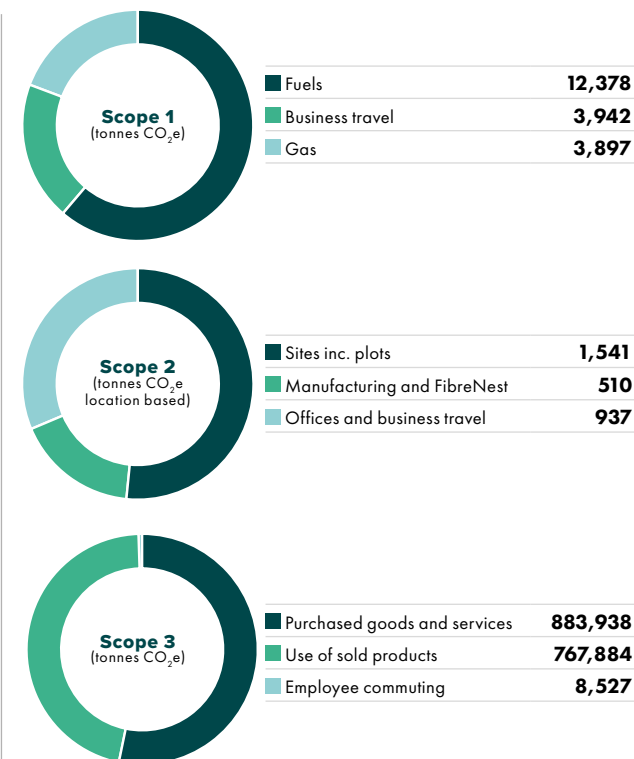
These are challenging targets requiring product innovation, supply chain engagement and changes to current operational processes.

We continue to evolve our understanding of the carbon emissions from our supply chain and report our Scope 3 emissions (see table on page 39). As a homebuilder, these Scope 3 emissions make up the majority (c.99%) of the emissions that we generate. See our carbon reporting methodology for more information.

### Our carbon reduction targets

#### Near-term targets (2030)

- To reduce carbon emissions from our operations by 46.2% by 2030 (2019 baseline).
- To reduce carbon emissions from our indirect operations (i.e. those from our homes in use and our supply chain, known as Scope 3) by at least 22% per m<sup>2</sup> completed floor area by 2030 (2019 baseline).



#### Long-term targets (2045)

- We are committed to setting long-term science-based targets with the SBTi. To achieve net zero by 2045, we need to reduce our absolute carbon emissions across the supply chain by circa 90%, with the remaining 10% offset or neutralised through a suitable mechanism.





## Our decarbonisation pathway

We have developed our decarbonisation pathway with the support of the Carbon Trust to help us achieve net zero carbon across our value chain by 2045.

We already have near-term science-based carbon reduction targets in place, which have been approved by the SBTi. Our long-term net zero carbon targets are being progressed with the SBTi. To achieve net zero by 2045, a reduction in absolute carbon emissions of circa 90% for Scope 1, 2 and 3 is required, with the remaining 10% to be offset or neutralised through a suitable mechanism.

We have identified key decarbonisation levers which are shown on our decarbonisation pathway graphic, and these provide the most material reductions with current known technologies and are in line with other key sector decarbonisation pathways.



### Emissions from electricity use

Reduce as the grid decarbonises.



### Emissions from natural gas use

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



### Scope 1 and 2 emissions from onsite operations

Decarbonisation strategies such as fuel switching, compound energy savings.



### Scope 3 emissions from bricks

Use of low carbon cements and alternatives in brick manufacture.



### Scope 3 emissions from asphalt

Use of low-carbon alternative materials and methods.



### Scope 3 emissions from MMC and Steel

Increased use of MMC, and in low-carbon steel use.



### Scope 3 emissions from concrete

Increased use of low carbon cements and alternative materials.



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

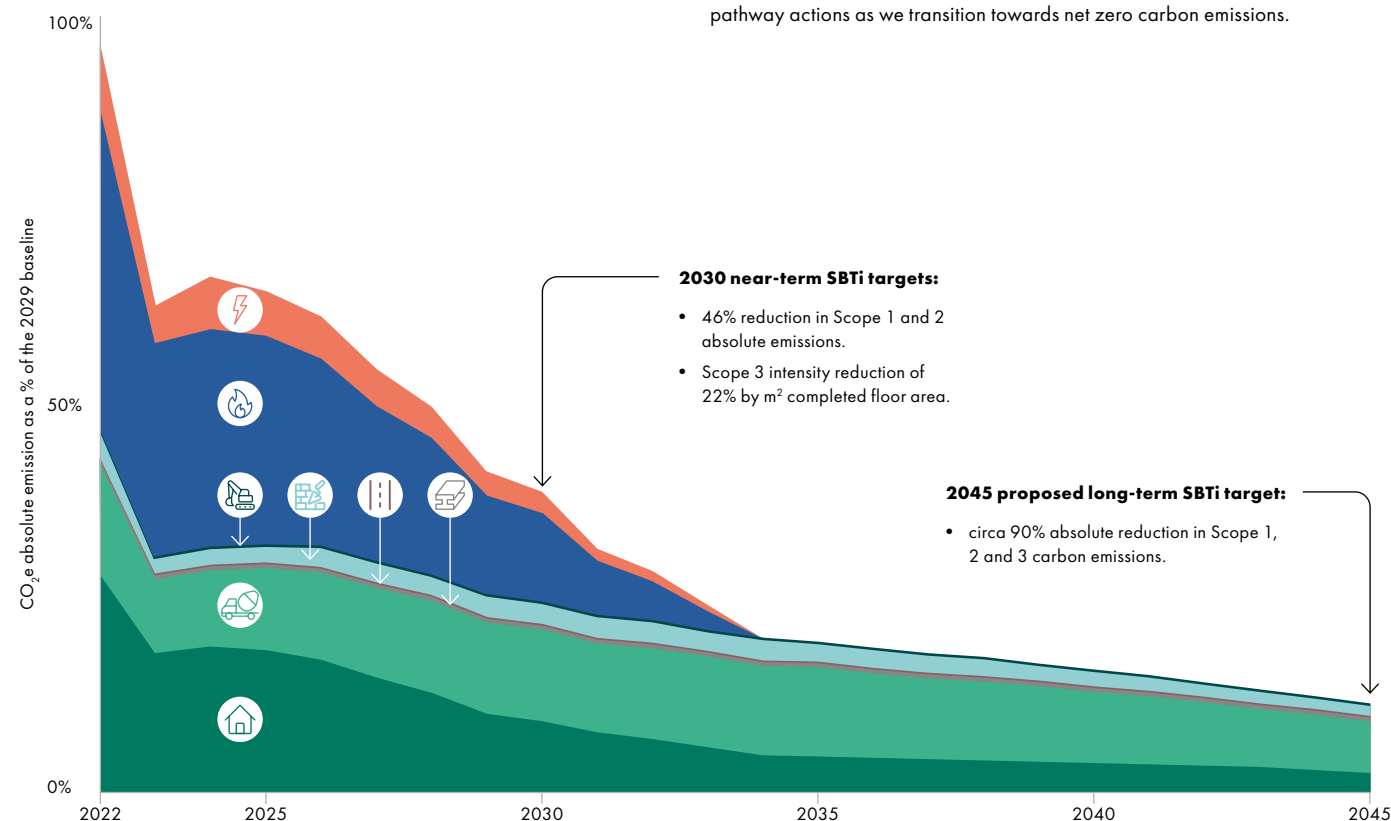
The main areas of reduction opportunity are:

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

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

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

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





















## Sustainability continued

## Building for tomorrow continued

## 1 Progressing towards net zero continued

## Our decarbonisation pathway continued














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

	From 2022–2026	By 2030	By 2040/2050
<b>Our carbon reduction targets</b>	 29% reduction in absolute carbon emissions (from 2019 baseline)	 46% reduction in absolute carbon emissions (from a 2019 baseline)	 Achieve net zero absolute carbon emissions by 2045 (expected to be circa 90% reduction)
<b>Our priority actions</b> (already underway and planned)	 100% REGO-backed electricity	 100% REGO-backed electricity (already in place)	 100% eco site cabins with diesel-free hybrid generators
	 Efficiency first strategy – reduction in diesel use	 Up to 90% switch to hybrid generators	 Construction plant all-electric or hydrogen
	 Introduce hybrid generators onto new sites	 Eco cabin replacement programme underway	 100% EV car fleet
	 New energy-efficient cabin strategy in place	 c.80% of car fleet EV	
	 Achieve 40% car fleet EV or hybrid	 Option to use green/HVO diesel replacement	
	 Option to use green/HVO diesel replacement	 Introduce electric/hydrogen construction plant vehicles in use	
<b>External enablers</b>	<ul style="list-style-type: none"> <li>• Grid decarbonisation trajectory maintained and sufficient electricity grid capacity</li> <li>• Sustainable HVO or green diesel alternatives available</li> <li>• Gas in new homes banned through FHS</li> </ul>	<ul style="list-style-type: none"> <li>• Grid decarbonisation on track for 100% by 2035</li> <li>• Industry availability of electric or hydrogen construction plant</li> </ul>	<ul style="list-style-type: none"> <li>• 100% green electricity from grid</li> </ul>

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



## Improving energy efficiency of our homes in use (Scope 3 emissions)

	From 2022–2026	By 2030	By 2040/2050
<b>Our carbon reduction targets</b>		 Achieve net zero carbon homes by 2030  Achieve a carbon reduction of at least 22% per m <sup>2</sup> completed floor area by 2030 (vs. 2019 baseline)	 Achieve net zero carbon emissions across our value chain by 2045 (expected to be circa 90% reduction)
<b>Our priority actions</b> (already underway and planned)	 Energy transition plans in place for all developments  Part L 2021 homes designed with a 'fabric first' approach to maximise energy efficiency  New house type designs already in place in readiness for FHS introduction  Smart home technology trials underway  12-month real-life trial of zero carbon home at Germany Beck undertaken  Zero carbon house at Malmesbury built  Increase use of timber frame  c.1,000 ASHPs to be installed by the end of 2025	 All homes will achieve 75-80% Scope 3 carbon emission reductions in line with FHS	 Increased thermal efficiency
<b>External enablers</b>	<ul style="list-style-type: none"> <li>• Availability of ASHPs and sufficient qualified installers</li> <li>• Grid decarbonisation trajectory maintained and sufficient electricity grid capacity</li> <li>• Lenders recognise the increased value of more energy-efficient homes and this is reflected in mortgage offers</li> </ul>	<ul style="list-style-type: none"> <li>• Grid decarbonisation on track for 100% by 2035</li> </ul>	

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















## Sustainability continued

### Building for tomorrow continued

## 1 Progressing towards net zero continued

### Our decarbonisation pathway continued

#### Reducing the carbon footprint of our homes during construction (Scope 3 emissions)

	From 2022–2026	By 2030	By 2040/2050
<b>Our carbon reduction targets</b>		 Achieve a carbon reduction of at least 22% per m <sup>2</sup> completed floor area by 2030 (2019 baseline)  Achieve 50% timber frame build	 Achieve net zero carbon emissions across our value chain by 2045 (expected to be circa 90% reduction)
<b>Our priority actions</b> (already underway and planned)	 Building around 30% timber frame homes  Introduction of ~30% GGBS at Brickworks and Tileworks to reduce cement content  Detailed embodied carbon study already complete and informing materials targets and reduction plans  Strategic partnerships with suppliers and trials of low-carbon alternatives being built  Innovation programme in place – undertaking a trial of zero cement substitute for bricks and tiles (2024/2025)	 Increasing timber frame and MMC components  New Space4 factory operational  Actions underway to be a zero-waste company  Building circular economy principles into our operations	
<b>Enablers</b>	<ul style="list-style-type: none"> <li>• Grid decarbonisation trajectory maintained and sufficient electricity grid capacity</li> <li>• Development of supply chain partnerships</li> <li>• Standardisation of LCA methodologies and data</li> <li>• Cement industry on track to achieve its NZC pathway</li> <li>• Iron and steel industry on track to achieve its NZC pathway</li> <li>• Clay brick industry on track to achieve its NZC pathway</li> </ul>	 Grid decarbonisation on track for 100% by 2035  Embodied carbon regulations	

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



## Zero carbon ready homes

**With customer experience as a key consideration, we have been carefully implementing our low-carbon design and heating solutions to improve energy efficiency and reduce the emissions of our homes.**

This year, we have fully implemented the step change to delivering Part L 2021 following our approved transitional arrangements. We have taken a 'fabric first' design route to make a 31% reduction in carbon emissions. Solutions used to achieve this include increased insulation, smart heating technology, waste water heat recovery and solar PV. As a result, our homes now use less energy compared to traditional older properties.

In preparation for the forthcoming Future Homes Standard ('FHS') and as part of our implementation of the New Build Heat Standard in Scotland, we have developed energy transition plans for all our developments. This ensures that we phase out the installation of gas boilers while considering the appropriate timescales and commercial needs. Ahead of the regulatory requirements, we have already started installing low-carbon design and heating solutions, such as air source heat pumps.

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

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

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



### Designing in sustainability – Innovation Home at our Space4 timber frame facility

At our Space4 timber frame manufacturing facility in Birmingham, we have built an Innovation Home to trial a range of new technologies. The project was built with a combined effort from Group Construction, Technical and Commercial, Space4, and our dedicated team of subcontracted suppliers and manufacturers.

One new technology used in the Innovation Home is a prefabricated external wall panel system, which has been fitted to our Space4 timber frame product. The Innovation Home is built to meet the upcoming Future Homes Standard, which will make our homes more energy efficient and reduce carbon emissions.

To meet these standards, the Innovation Home has been fitted with air source heating, solar PV, additional wall and floor insulation, and an electric vehicle charging point. We are already using these technologies in some places and will continue to implement them across our sites in 2025.

In each room, different build stages are left exposed to show best practices. Signage throughout the home highlights the building regulations and standards, as well as the expectations of The Persimmon Way. Situated outside our Central Training Hub, the Innovation Home will be used for the training and development of our staff, subcontractors, suppliers and manufacturers.



## Sustainability continued

## Building for tomorrow continued

### 1 Progressing towards net zero continued

#### Zero carbon ready homes continued

##### Technology roadmap for the delivery of the Future Homes Standard

Having implemented Part L 2021 according to our transitional arrangements in England, and the New Build Heat Standard in Scotland, we are preparing for further regulation changes. These include the introduction of the FHS in England and similar regulation changes in Wales from ~2026. The FHS requires a significant further increase in energy efficiency and carbon reduction, having to achieve a 75–80% carbon emissions reduction.

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

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

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

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

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



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





## Progressing towards net zero carbon operations

**Our decarbonisation pathway also includes a detailed plan for reducing operational carbon emissions across the Group as laid out on pages 30 to 36.**

Significant focus is placed on reducing carbon emissions from our activities and good progress is being made. The main contributor to our operational footprint is the use of diesel fuel for site operations and construction fleet. Following a successful trial last year, all new sites are required to use hybrid diesel generators, and this has contributed towards an overall reduction in carbon emissions.

In 2024, market based absolute carbon emissions have reduced to 20,306 tonnes which is an 8% reduction compared to the prior year. The carbon emissions/home have also reduced to 1.90 tonnes CO<sub>2</sub>e/home (2023: 2.21 tonnes CO<sub>2</sub>e/home). We remain on track to meet our near-term Scope 1 and 2 science-based reduction targets.

Our Regional Chairs receive bi-monthly diesel usage data from across the Company to drive site efficiency actions and share best practice findings.

The Group has continued its programme of energy awareness training modules to improve on-site energy efficiency, such as providing electric power to our developments as soon as possible to reduce the use of generator power, restricting machine idling time and using appropriate travel speeds when travelling around the development.

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

Our Space4 timber frame products are a key contributor to achieving our energy efficiency requirements. We will be opening a new state of the art production facility in Garendon, Leicestershire in 2027. As part of the transition process, the current Space4 factory in Castle Bromwich intends to mirror the

cutting-edge processes planned for Garendon in its current factory with the installation of robotics and other automation. An updated product scope designed this year will enable more complex wall panels and floor cassettes to be assembled once the new technology is installed. On site, this will improve efficiencies by reducing assembly times and improving quality. It will provide our customers with the benefits of increased energy efficiency and air tightness. Our employees at the factories, both existing and upcoming, will benefit from improved health, safety and working environments, which is another of our key sustainability focuses.

Following a successful trial, a programme to use combined battery diesel generators was implemented in 2024. This has led to decreased diesel consumption, carbon emissions, and also cost savings. With the battery storage unit, the diesel generator runs for less time, greatly reducing the associated CO<sub>2</sub>e emissions.

**The Group purchases 100% REGO-backed renewable energy for our offices and manufacturing facilities. In addition, all electricity purchased for our sites and supplying our plots whilst under our ownership is 100% REGO-backed renewable energy.**

### Greenhouse gas emissions per home sold (market based)

**1.90**  
tonnes CO<sub>2</sub>e/home

2023: 2.21 tonnes CO<sub>2</sub>e/home

### Absolute Scope 1 and 2 emissions (market based)

**20,306**  
tonnes CO<sub>2</sub>e

2023: 21,973 tonnes CO<sub>2</sub>e



## Hybrid generator usage on sites across Wessex

Following a successful hybrid generator trial at Llanwern, East Wales, our Wessex region has used several hybrid generators on new sites throughout 2024 as part of our wider rollout of the solution. The hybrid generators on our sites have a battery storage unit that can supply basic site needs for roughly ten hours per charge, powering drying rooms, CCTV, refrigeration and security/warning lights. Wessex measured several different metrics from when the system was commissioned in April to September 2024 and compared this with a traditional diesel generator. The inclusion of a battery storage unit resulted in an 85% reduction in generator run time, an £18,000 diesel cost saving and a 47 tCO<sub>2</sub>e reduction in emissions compared to using a traditional diesel generator.

The commercial team at Wessex said: "We would recommend the hybrid set-up to other regions. There is a saving on fuel because the battery takes over the running of the generator, so fuel usage has dropped overall. These systems work well on our sites." One lesson learned from this early adoption of the hybrid generator system by Wessex is that these systems require a specialist engineer for connection to the compound. This means that an extra few days are required from delivery to installation, so timings are critical to get the compounds connected.

## Sustainability continued

### Building for tomorrow continued

#### 1 Progressing towards net zero continued

##### Moving towards net zero by reducing our Scope 3 indirect emissions

**Our Scope 3 emissions from indirect activities from our supply chain make up about 48% of our overall carbon footprint.**

Summarised below are some of the broad ranging approaches we have taken to reduce our Scope 3 emissions and the whole life carbon impacts of our business in 2024:

- We have experienced significant benefits in reducing embodied carbon impacts through our vertical integration strategy with our timber frame manufacturing facility, Space4. The use of timber frame construction (kits and roof systems) replaces masonry components and, from a sector-wide study, completed by the Future Homes Hub in 2022, on average delivers a 16% reduction.
- Our Brickworks and Tileworks factories are also part of our vertical integration strategy. Our bricks and tiles are made from concrete with a lower carbon footprint than those made traditionally from clay, which requires firing in gas kilns at temperatures exceeding 1,000°C. In addition, our Brickworks factory has introduced ground granulated blast-furnace slag ('GGBS') as a cement replacement following a successful trial in 2023. GGBS has been used as a 30% cement replacement since Q2 2024 in our paver manufacture and will be rolled out to include our new (Gen4) bricks during H1 2025. Subject to manufacturing volumes, this is expected to replace c.5,000 tonnes of cement a year, giving an annual saving of around 3,250 tonnes of CO<sub>2</sub>e. The Gen4 bricks have been supplied to a single site in Durham as a trial in advance of rollout across the business next year. Our Brickworks and Tileworks factories are also exploring low-carbon energy upgrades such as solar PV panels on the roof and air source heat pumps to replace their LPG boilers.



- We have collaborative long-term relationships with our supply chain and, as part of our responsible procurement process, regularly engage with it on sustainability, new materials and innovations. In addition, we are partners of the Supply Chain Sustainability School to assist in the delivery of a consistent approach to sustainability and responsible sourcing. The School provides a learning and engagement platform to upskill people working within the built environment sector. Our partnership support enables free online learning materials, seminars, workshops and other services for our supply chain to help it improve environmental, social and economic sustainability awareness on issues including carbon reduction, waste reduction, resource use and human rights.
- We have completed an embodied carbon and whole life carbon study of five of our most popular house types. This provides us with a detailed understanding of material type contribution and informs where focus should be placed to make the most meaningful reductions. We will be engaging with our key suppliers to progress actions and opportunities.
- Reducing the whole life carbon emissions of new build homes is an industry-wide challenge. As a result, we sit on the industry collaborative network: the Future Homes Hub Whole Life Carbon Task Force. The Task Force has undertaken a detailed analysis of available embodied carbon footprints to create an understanding of where interventions can best be made and created a delivery roadmap over the next five years.



Above: Tileworks.

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



## 2 Greenhouse gas reporting

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

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

Greenhouse gas emissions			2024	2023	2022	2021
Scope 1 emissions from gas, transport and construction site fuel use	tCO <sub>2</sub> e		20,295*	21,949*	25,005*	25,298
Scope 2 emissions from electricity use	Location based	tCO <sub>2</sub> e	2,987*	2,594*	2,151*	2,380
	Market based	tCO <sub>2</sub> e	11*	24*	12*	1,149
<b>Total Scope 1 and 2 greenhouse gas emissions</b>	Location based	tCO <sub>2</sub> e	23,282*	24,544*	27,156*	27,678
	Market based	tCO <sub>2</sub> e	20,306*	21,973*	25,017*	26,447
Scope 1 energy consumption	MWh		79,138	87,322	99,980	96,508
Scope 2 energy consumption	MWh		13,458	12,887	11,410	11,208
<b>Carbon intensity Scope 1 and 2 emissions (per home sold)</b>	Location based	tCO <sub>2</sub> e/home sold	2.183	2.474	1.826	1.902
	Market based	tCO <sub>2</sub> e/home sold	1.904	2.214	1.683	1.818
Scope 3 emissions – category 1: purchased goods and services	tCO <sub>2</sub> e		883,938*	962,496*	1,288,322*	1,254,243
Scope 3 emissions – category 11: use of sold products	tCO <sub>2</sub> e		767,884*	791,950*	1,394,740*	1,193,835
Scope 3 emissions – category 7: employee commuting	tCO <sub>2</sub> e		8,527	9,952	11,067	14,537
Carbon intensity Scope 3 carbon emissions (emissions per 100m <sup>2</sup> completed floor area)	tCO <sub>2</sub> e/100m <sup>2</sup>		176	207	216	N/A
<b>Total Scope 3 emissions</b>	tCO <sub>2</sub> e		1,709,398	1,764,398	2,694,129	2,462,615

\* The Scope 1, 2 and 3 (category 1 and 11) greenhouse gas emissions data for 2024, 2023 and 2022 has been externally assured to a limited level of assurance by Ernst & Young LLP (see [www.persimmonhomes.com/corporate/sustainability](http://www.persimmonhomes.com/corporate/sustainability)). The Group's full GHG Reporting Methodology can be found at [www.persimmonhomes.com/corporate/sustainability](http://www.persimmonhomes.com/corporate/sustainability).

Continued improvements have been made to data capture and reporting methodologies during 2024, hybrid diesel generators have been used on new sites across the Company. As part of the Group's sustainability commitments, from August 2021 all purchased electricity is now backed by Renewable Energy Guarantees of Origin ('REGOs') certificates, which are provided to the Group.

This year the Group is again reporting its material Scope 3 emissions; these are the emissions from indirect activities, to include: category 1, purchased goods and services (obtained from spend data and will be improved over time as carbon data becomes available from suppliers); category 11, homes in use (obtained from SAP information); and category 7, employee commuting (obtained from employee travel survey data).

### Greenhouse gas emissions

The Group's absolute GHG Scope 1 and 2 emissions decreased in 2024. Data capture and reporting have continued to improve, allowing the effects of efficiency measures to be more visible and for the opportunity to share best practice. Many energy efficiency measures have been utilised this year including wider rollout of hybrid generators, plant operator monitoring for idling times and new site compound set-up guidance. Best practice findings are rolled out across the business to continue to reduce carbon emissions.

Scope 3 emissions make up the majority of our total GHG footprint, around 99%. These are calculated using a spend-based method, and several factors can influence the result, including changes in emission factors which have impacted our emissions in 2024.

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



## Sustainability continued

### Building for tomorrow continued

#### 3 Creating a responsible supply chain

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

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

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

#### Responsible sourcing of timber

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

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

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

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

In 2024 Group Internal Control undertook an audit of timber procurement and adherence to our policy and standards, and found a high standard of delivery. A number of process recommendations have been implemented.



#### Waste reduction initiatives

In 2024, 98% of waste was recycled or reprocessed from our sites and off-site manufacturing facilities (2023: 98%), with 6.78 tonnes of waste generated per home sold (2023: 8.29 tonnes). This is a result of improved materials management processes.

We have continued the practice of recycling brick and block waste for reuse in other areas such as piling platforms and scaffold bases, reducing waste and the requirement for third party aggregates.

A detailed evaluation of materials management was undertaken in 2024, and has led to improved IT processes as part of the drive to reduce preventable losses across our sites. The improvements have been made to the bill of quantities data, the order-raising process, material ordering data accuracy, the call-off process and asset tracking. The programme also utilises Power BI to identify potential opportunities, improve performance, and compare costs across the Group. All of these improvements help to reduce overall on-site waste.

Throughout 2024, we have continued to use our Soil Register to internally share information about clean site soil and subsoil, cutting waste and material costs nationally. We are also a Principal Member of CL:AIRE, a UK charity committed to providing a valuable service for all those involved in sustainable land reuse.

Additionally, as part of a research and development project on soil management, we have investigated the theoretical reduction of CO<sub>2</sub>e greenhouse gases. Led by a Senior Engineer from our Lancaster region, the research project involves collaboration with UK universities, planning authorities, regulators and our technical teams.

Initial results offer promising reductions of cost, waste and carbon equivalent gases.





# Transforming communities

In this pillar:

- 1 Building for you
- 2 Connecting people with nature
- 3 Leaving a lasting legacy

**Supporting sustainable communities is a key priority for Persimmon. Our transforming communities sustainability pillar complements this priority for the business.**

Creating sustainable places for our communities and customers is at the heart of our business. We have established a Placemaking Framework with a structure for each of our developments to follow, providing a sense of place and ensuring we deliver attractive, well-designed communities with valued green open spaces that are well connected to local amenities.

The Persimmon Way, our construction excellence programme, is driving continued improvements in our build quality. Continued efforts from all of our teams mean that we are proud to be an HBF five-star rated housebuilder for the third consecutive year and have improved our NHBC Reportable Items by 7% with a score of 0.26 for 2024.

Our customers are seeing the benefits of the investments we are making in our customer experience processes. Persimmon Homes has been rated 4.5 on Trustpilot (2023: 4.2). We are proud to deliver affordable homes that local people want to live in. Our Persimmon Homes private average selling price of £273,318 is c.20% below the UK national average. We are also offering a 'local homes guarantee' on some developments, securing a proportion of our homes on a specific development for local people.

Affordability

**£273k**

Persimmon Homes private average selling price

**c.20%**

below UK national average

Investment in local communities (over five years)

**£2.2bn**

2023: £2.3bn

Donations to local charities

**c.£905k**

2023: c.£734k

NHBC Reportable Items

**0.26**

2023: 0.28

Trustpilot scores Persimmon Homes

**4.5**

2023: 4.2

Charles Church

**4.4**

2023: 4.1



## Sustainability continued

# Transforming communities continued

## 1 Building for you

Our Placemaking Framework ensures that all our developments are designed with a sense of place to reflect local needs and character and create a sustainable community. Wellbeing and social value are key deliverables. Our approach is fully integrated with The Persimmon Way and facilitates our pathway to achieving net zero carbon.

At the core of our Placemaking Framework is the National Model Design Code which sets out a number of characteristics of a well-designed place, to include character, climate and community. We have taken these and developed ten 'pledges' which each of our developments must consider in the design process, thereby ensuring the unique requirements of each location and community are incorporated. This approach leads to high-quality schemes which are in keeping with the local area, align with local authority requirements and support a flourishing community.

The inclusion of climate considerations ensures our developments are future-proofed for physical risks such as drought and flooding using blue and green infrastructure to include sustainable urban drainage systems, and our homes are designed with lower energy needs ready for the transition to low carbon/zero carbon ready for our customers.

Creating healthy, safe and enjoyable public spaces is a key part of a sustainable community and includes more shared streets, walkable neighbourhoods and sustainable transport schemes, providing links to schools and local amenities. Nature contributes to the quality of a place and to the quality of our customers' lives and is a critical component of our placemaking approach. We also optimise the opportunity for green spaces to support and enhance biodiversity across our developments, ensuring a home for wildlife.



### New sustainable homes for the community at Saundersfoot, West Wales

Persimmon Homes West Wales and Pembrokeshire Coast National Park, in its role as the local planning authority, have agreed a scheme for 72 new homes in the coastal town of Saundersfoot.

The zero carbon ready scheme includes a mix of quality new one to four-bed detached and semi-detached homes as well as terraced houses and apartments that will help meet local housing needs and open the door to home ownership for more local families. Homes will be equipped with green technologies such as air source heat pumps, solar panels and electric vehicle charging points.

The new development will bring a range of facilities to the local community, including an equipped play area at the heart of the site, and contributions to highway and travel upgrades.

The design also incorporates a sustainable drainage system with bio-retention areas and rain gardens, as well as ecological enhancements to safeguard dormouse habitats and preserve existing trees and hedgerows.

As part of our community contribution, Persimmon will also transfer 35% of the homes (25 in total) to a local housing provider for rent and shared ownership.



We're pleased to be able to deliver 72 new high-quality homes for local people in Saundersfoot.

The development will provide a wide range of zero carbon ready homes that will be of particular help to young families and first-time buyers, who otherwise might struggle to get onto the housing ladder in Pembrokeshire.

The scheme will deliver substantial community benefits, including new facilities, enhanced green spaces and significant investment in public infrastructure, as well as the transfer of 25 properties to a local housing association.

Persimmon has a proud record of delivery in Pembrokeshire, and we are excited about this latest development as we continue to build the best value homes in sustainable and inclusive communities for local people.

Stuart Phillips  
Managing Director, Persimmon Homes West Wales





## 2 Connecting people with nature

**Creating sustainable communities is a key driver embedded within our Placemaking Framework, where the importance of designing green spaces for both nature and community is well recognised to support wellbeing.**

Our focus is on delivering quality affordable homes and creating sustainable places. Our new developments are increasingly featuring enhanced green spaces including allotments and orchards to enable healthy lifestyles. We are proud to create spaces that bring families and communities together and provide opportunities to reconnect with nature and strengthen wellbeing.

### **Biodiversity Net Gain ('BNG') and beyond**

From the very early stages of a new development, BNG and the natural environment are considered, recognising the value of biodiversity assets from the outset.

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

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

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

We are actively engaged in a wide range of stakeholder engagement and sector collaboration on BNG and sit on the FHH Places and Nature Group and several sub-working groups. This approach ensures a proactive approach with the Government and consistency in application.

### **Tree planting**

We planted 146,068 whips and trees in 2024. This provides valuable benefits not only to biodiversity but to our customers by contributing to community wellbeing and helping to cool urban areas, promoting environmental sustainability within our developments.

### **Homes for Nature commitment**

In July 2024 we signed up to the Future Homes Hub Homes for Nature commitment, which is a sector-wide initiative aimed at protecting vulnerable and endangered species, and providing places for our wildlife to live.

We were part of the working groups, and have committed to install swift bricks and hedgehog highways across our developments, and provide essential nature-friendly planting to support their establishment. These will be installed along with support and guidance from our ecological consultants, meaning that the right features will be installed in the right locations, suitable to the needs of local wildlife.



### **Bee community garden in East Wales**

A nature-inspired public art and community garden was led by artist gardeners working with Persimmon Homes East Wales earlier this year. It focused on design which supports biodiversity, social interaction and people thriving alongside nature. Nectar and pollen-rich plants were carefully arranged to spiral around a colourful pathway. This vibrant space provides homes and food sources for bees, butterflies and other essential pollinators while fostering a sense of unity and outdoor community enjoyment. Its ecological value was further enhanced by a range of habitat totem poles offering a safe refuge for a range of pollinators. A bespoke seating area invites the community to pause and enjoy a community space where people and wildlife thrive together.

By weaving nature into the fabric of the community, residents will continue to come together for many years as they look after the community garden, meet new neighbours and explore the wonders of wildlife in a more resilient and sustainable environment.

Lead artist gardener Emma Geliot said: "This has been a joyous project to work on. The community has been so supportive." Emma added: "It has been especially wonderful seeing the first bees appear and to have first-hand experience of the residents enjoying the garden. I am sure that the garden will bring pleasure to them for many years to come."



## Sustainability continued

## Transforming communities continued

### 3 Leaving a lasting legacy

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

We support c.44,300 jobs across the supply chain and c.78,800 jobs across the wider community. Our developments engage local suppliers and tradespeople, supporting the local economy.

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

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

We take a local approach to charitable and community initiatives and in 2024 supported 355 charities and organisations with £905,096 in donations. Examples being:

- St David's Hospice Care in Newport has been presented with a donation of £1,000 from Persimmon Homes East Wales as part of our Community Champions initiative.
- Larkhall & District Volunteer Group (LDVG), a local charity in South Lanarkshire, is celebrating a generous £5,000 donation from Persimmon West Scotland, helping it continue its vital work in supporting the local community.
- Persimmon Homes Essex donated £2,000 to a local school, Holy Family Catholic Primary, so that it can deliver its Forest School to all children.



### Persimmon hosts Wales' First Minister in collaboration with local primary school

In March 2024, Persimmon Homes East Wales welcomed Wales' First Minister and other key MPs and stakeholders in a collaborative effort with Creigiau Primary School to enhance community spaces at its site in Cardiff.

Focused on improving community spaces, the partnership with Creigiau Primary School centred on designing playgrounds for Persimmon's nearby Llanilltern site. Workshops throughout the day engaged pupils in creative exercises inspired by sustainable urban drainage systems ('SUDS').

As part of the project, Persimmon has also provided local schools with toolkits and equipment for classroom educational activities on sustainability, including SUDS, enriching the learning experience for children.

The project is part of a larger scheme involving the construction of over 1,000 homes and various community facilities, including a primary school, retail outlets, offices and sports fields.

### West Scotland MD promotes construction careers at local school

Chris Logan, Managing Director at our West Scotland business, visited an Ayrshire school to showcase the construction careers available across various departments in Persimmon, with opportunities ranging from traineeships and apprenticeships to graduate programmes. Chris highlighted Persimmon's track record of nurturing talent in the business – having started himself as a graduate planner before going on to become Managing Director.

During the visit, Chris announced the launch of two new trainee sales advisor roles – and hoped to recruit two Ayrshire residents to join the Company.

Sandra Ferguson, Curriculum Manager for Business, Computing, Travel and Tourism and Humanities, said:

"Visits like these allow our students to see how the theory they have learned in class can be applied in the business environment. The students found the presentation interesting, having no previous knowledge of the housebuilding industry, and were impressed at how the business operates."

Ayrshire College is Persimmon's largest education partner in Scotland. Earlier this year, the college hosted Cabinet Secretary for Education Jenny Gilruth MSP, to mark Persimmon's 50,000th brick donation to colleges across Scotland.





## Leaving a lasting legacy – Persimmon and Team GB in the Olympic year 2024

Our Team GB partnership has now been running for two Olympic Games. The 2024 Paris Olympics marked a significant milestone in our ongoing efforts to forge impactful partnerships and drive our brand forward while leaving lasting legacies in our local communities.

Throughout the Olympic year, we had the honour of welcoming inspirational athletes to our Persimmon developments around the country, to launch new show homes, such as the show home on our development in Market Harborough which was officially opened by Team GB athlete Sam Oldham.

We have continued to deliver our 'Get Set to Build a Community' cross-curricular activity in partnership with Team GB. This is aimed at students aged 11 to 14 and 488 educational institutions across the UK have downloaded the resources. In small teams, students take on real roles at Persimmon Homes, to create a development inspired by Team GB athletes, with a legacy to benefit the whole community.

Olympians also attended community-focused events in the areas we build in, including Community Champion charity donations and meet-and-greets to inspire future generations. Team GB swimmer Dan Wallace inspired pupils on a special visit to local schools meeting pupils at local schools in Cupar before appearing in front of a primary school assembly in Crieff.

Persimmon Homes Essex invited Team GB Olympic boxer Lewis Richardson to officially cut the ribbon on a new pedestrian crossing alongside Essex County and Colchester City Council member Dave Harris and pupils from nearby St Michael's School, who use the crossing to get to class safely. Ms Gail Morgan, Head Teacher at St Michael's Primary, said: "Lots of our families live on the new Persimmon Homes development and this ensures their safety when making their journey to school each day."

Shanaze Reade, a Team GB BMX racer and track cyclist, visited our South Midlands team to help them with a static cycling fundraiser challenge. Shanaze helped the team reach their 400-mile goal, the equivalent of travelling from the Studley office to Paris, providing encouragement and taking part in the event, which was raising money for a local charity, the Matt Gallagher Foundation. Shanaze said: "This challenging endeavour showcased not only their physical endurance but also their commitment to making a positive impact in our community."

In the 'My Olympic Roots' video series, we explored what home and community mean to some of our Team GB athletes including Kye Whyte, Bryony Page, Chelsie Giles, Lauren Williams, Seonaid McIntosh and Delicious Orie.

As well as benefiting the local communities we work in, Team GB has also supported internal equality, diversity and inclusion events, helping our employees celebrate their differences. Persimmon Pride hosted a webinar with Team GB's Tom Bosworth MBE. Tom spoke about his experience as an openly gay athlete and why networking and allyship in the workplace are important. We also heard from Katherine Grainger DBE during a webinar about marginal gains and driving performance hosted by our Persimmon Women's Network.



**Persimmon's partnership with Team GB ahead of the Paris Olympics and Paralympics this summer demonstrates the Company's understanding of the commitment it takes to produce Olympic-level results.**

**Sam Oldham**  
Team GB gymnast





## Sustainability continued

# Safe and inclusive

In this pillar:

- 1 Working safely
- 2 Investing in a diverse workforce
- 3 Respecting human rights across the value chain



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

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

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

We adopt an industry-leading approach to training, with dedicated in-house resource providing a wide range of learning opportunities to all employees. We monitor a range of training measures, including the number of days of training delivered and the number of different 'interventions' which are categorised as:

- 'introductory' training, which typically covers basic courses required for the business to operate in compliance and for colleagues to understand required Persimmon ways of working;
- 'competent' level training, which enables colleagues to fulfil their core skills and builds their capabilities; and
- 'excellence' training programmes, which are focused on providing opportunities for skills development and progression, fulfilling our people's potential.

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



RIDDORs<sup>1</sup>

**2.2**  
2023: 2.8

AIIR<sup>2</sup>

**1.3**  
2023: 1.4

Training interventions  
at excellence level<sup>3</sup>

**410**  
2023: 382

Percentage of female  
employees in senior roles

**34%**  
2023: 34%

1. RIDDORs reported per 1,000 workers including, where relevant, those reported by our contractors excluding our manufacturing operations.
2. Annual Incidence Injury Rate, our own RIDDORs reported per 1,000 workers.
3. The training interventions at excellence level have been externally assured to a limited level of assurance by Ernst & Young LLP. The assurance statement and methodology are available at [www.persimmonhomes.com/corporate/sustainability](http://www.persimmonhomes.com/corporate/sustainability).



## 1 Working safely

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

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

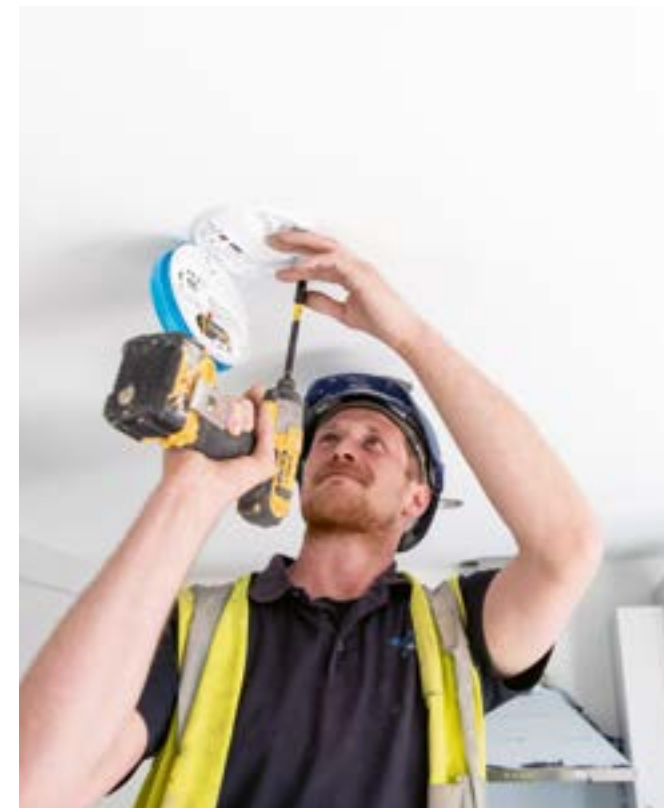
- We have launched a behavioural health and safety campaign, Target Zero, with the tagline Zero Regrets. The goal of the campaign is to raise workplace safety awareness and accountability with every team member to minimise incidents that harm colleagues. We have used powerful messaging through posters and direct communication to our site workers through the new app and Site Manager Tool Box Talks. The campaign is further supported by a new safety index which tracks incidents so that we can measure ourselves effectively by undertaking benchmarking to track improvement. The foundation of the campaign is to empower our leaders to set a positive culture where everyone knows that safety is a priority. Through the campaign, safety is an expectation and not a request, and our employees and contractors feel that they can truly make a difference by making decisions that prevent incidents from happening. They now feel that if they see something that seems unsafe, they can do something about it. A second phase of the campaign will be rolled out in 2025.
- Our fully digitalised HS&E policies and standards are now all available on the My Persimmon intranet, making them more accessible and interactive for our workforce. We have also rolled out a digital incident reporting system, accessible on site managers tablets, to aid in the easy reporting of incidents.
- An internal HS&E auditor completes assurance checks on our HS&E procedures and compliance levels across the business, and is assisting us in becoming verified by the relevant International Organization for Standardization ('ISO').
- We continue to recognise good HS&E performance through our annual internal 'HS&E Excellence Awards' by rewarding site teams that have demonstrated a passion and commitment to HS&E initiatives above and beyond policy requirements.

- We have rolled out a digitalised site induction and sign process via a new internally developed and bespoke app across all our sites. This new process ensures site personnel and our supply chain workforce are given a consistent induction in relation to HS&E risks. The induction is also translated into common non-English languages spoken by workers on site. The app also enables us to keep enhanced records of personnel on site and to communicate with our site workforce more effectively. The app will be further developed to enable us to more effectively check the competency cards of site workers, to ensure they have the required level of HS&E training.
- Through the new app we have signposted to all our site personnel that we undertake random drug and alcohol testing. The testing programme commenced mid-2024. Random drug and alcohol testing also continues at our manufacturing facilities.

### Maintaining our focus on wellbeing

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

- For Mental Health Awareness Week, we sent out communications, covering five stories from five colleagues, exploring how moving more is good for our mental health, and also directing people to how they can access their Mental Health First Aider and other resources available for support.
- For World Mental Health Day, we sent out communications on how to talk about mental health safely, signposting Mental Health First Aiders and our Employee Assistance Care First programme.
- We have made a sizable financial donation to the Lighthouse Construction Industry Charity, which provides mental health support to the wider construction industry workforce. We also promoted the charity on the My Persimmon intranet.
- For International Men's Day, we held a webinar with one of our Non-Executive Directors, to promote men's health and celebrate male role models.
- Through our Training team we have run a series of drop-in mental health awareness sessions on site, specifically targeting our supply chain workforce.
- We have introduced a mental health for managers awareness course.





## Sustainability continued

## Safe and inclusive continued

### 1 Working safely continued

#### Training

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

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

#### Inspections

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

In 2024, the HS&E department undertook 6,866 site inspections. Our HS&E team has considerable experience in providing both a proactive advisory and reactive incident-led approach to identify and mitigate health and safety risk.

#### Site inspections undertaken

# 6,866

#### Work-related injuries

During 2024, the number of construction work-related injuries in our housebuilding operations we reported to the Health and Safety Executive ('HSE') under the Reporting of Incidents, Diseases and Dangerous Occurrences Regulations ('RIDDOR') was 17 (2023: 19). Injuries per one thousand workers, which includes injuries sustained by our contract workforce, has decreased to 2.2 per 1,000 workers (2023: 2.8). The level of build per injury, including contractor injuries, was 382 legal completions per injury (2023: 262).

Our Group Annual Incidence Injury Rate ('AIIR') for 2024 was 1.3 per 1,000 workers (2023: 1.4). In our manufacturing operations, we reported 3 RIDDORs in 2024 (2023: 2).

#### Building safety

- Following re-assessment, we have maintained Building a Safer Future ('BSF') Chartered Champion status.
- We presented to Dame Judith Hackitt, the former Chair of the Independent Review of Building Regulations and Fire Safety, on the progress of our cladding remediation and our ongoing work to promote building safety across the lifecycle of our homes. Dame Judith Hackitt has publicly spoken out saying we are exemplars of leadership in building safety.
- We have reviewed the Grenfell Inquiry Phase 2 Report to identify any learning outcomes that could be applied to housebuilding. A Building Safety Action Plan has been produced which will be implemented by relevant key stakeholders. This will include the setting of a building safety competence framework for safety-critical roles.
- We presented as part of the Code for Construction Product Information panel at UK Construction Week. The panel discussed the importance of accurate and reliable construction product information. We are also engaging with the Government's new National Construction Products Regulator.







## 2 Investing in a diverse workforce

### An inclusive business

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

In 2021, we engaged with external D&I specialists, EA Inclusion, to conduct a comprehensive audit of our baseline position on D&I. The results helped create our D&I strategy in 2022 and paved the way for the work we have been undertaking over the last two years.

To measure our progress, we re-engaged EA to undertake a follow-up audit in 2024, which involved individual discussions, data/documentation reviews, a survey of the leadership team and site visits. The audit feedback was that 'Persimmon has shown much progress in embedding equality, diversity and inclusion throughout the organisation' and as a result, we have moved up from a Bronze to a Silver rating. While there is still much to do, this was a very encouraging result which reflects the work in this area, and the recommendations from the audit are helping shape our strategy going forward.

Good quality data is essential for understanding the issues and tracking progress. In 2024, we have developed and launched a quarterly D&I Dashboard, which provides insights into diversity at all stages of the employee journey, from recruitment through promotion to exit, and all areas of the Group. This dashboard provides informative data to support our D&I strategy.

Following the senior leadership D&I training successes last year, we have extended our D&I training programme, with recruitment as a key focus for 2024. Recruitment is a vital part of our D&I strategy, and this year, we have rolled out a comprehensive recruitment training programme to all managers with hiring responsibilities (c.400 individuals). The training gives guidance on best practices in recruitment, with a focus on the overall candidate experience. Opportunities for improvement include how and where we advertise roles, the wording of adverts, reasonable adjustments, an understanding of the main bias hotspots, selection methods, interview structure and actions post-interview.

The Group set stretching diversity targets with the specific objective of increasing the representation of women across the Group by the end of 2025. After two years, our progress against these targets is as follows:

- The percentage of females in the senior management team is currently 34.6%, against a target of 35%.
- Of all our management roles in the Company, the female percentage is 33%, against a target of 45%.
- The percentage of female employees in the Group is 30.6%, against a target of 40%.

Our two employee network groups, the Persimmon Women's Network and Persimmon Pride, continue to thrive and are supported by a range of internal communications initiatives to highlight key events in the diversity calendar. Our partnership with Team GB has also played a key role in several D&I events throughout 2024 (see page 45). The Women's Network now has regional leads, who host successful local roundtable sessions in each of our divisions.

In addition, a discussion group has been set up with the aim of better understanding the experience of current employees from ethnic minority backgrounds and considering what actions we can take in response to their feedback to ensure our workplaces are welcoming and inclusive and to encourage more applications from under-represented groups. The executive sponsor is Asanga Gunatillaka, MD of FibreNest.



Our gender data		2024	2023	2022
Board	Male	5 (56%)	4 (50%)	6 (66%)
	Female	4 (44%)	4 (50%)	3 (33%)
Senior Executive Committee and direct reports	Male	34 (66.4%)	36 (66.5%)	35 (66%)
	Female	18 (34.6%)	19 (34.5%)	18 (34%)
All colleagues	Male	3,299 (70%)	3,451 (71%)	4,045 (73%)
	Female	1,432 (30%)	1,374 (29%)	1,509 (27%)
Median gender pay gap		21.3%	9.9%	13.5%



## Sustainability continued

## Safe and inclusive continued

### 3 Respecting human rights across the value chain

#### Human rights

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

#### Workforce safety

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

#### Labour rights

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



**The Group expects high standards of ethical behaviour and integrity from all employees and stakeholders involved within our operations.**

#### Supply chain

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

Throughout 2024, the Group has continued to engage proactively with the Gangmaster and Labour Abuse Authority ('GLAA') through its 'Construction Protocol', ensuring ongoing access to industry good practices in combating modern slavery. The Group has also engaged proactively with the CCLA-led 'Find it, Fix it, Prevent it' initiative, to benchmark its processes, understand stakeholder concerns for our sector and access intelligence on modern slavery trends. Informed by these inputs, a comprehensive suite of controls has been established. This includes regular audits on supply chain controls and awareness, led by our Group Internal Audit department. Awareness posters are also in place at all sites, encouraging the reporting of potential concerns via our whistleblowing provision. Routine inspections and worker interviews are carried out by the Group HS&E department, and tailored training is in place for employees in Commercial, Procurement and Construction functions. Site-based workers also receive an annual training session via The Persimmon Way app, which reached over 16,000 workers.

Despite the Group's comprehensive controls, one incident of potential modern slavery was identified in the Group's supply chain within 2024 (from zero in 2023 and one in 2022). This incident was identified via whistleblowing, and swiftly addressed, with the support and advice of the GLAA and enforcement agencies.

Further details on the Group's measures to combat modern slavery are set out within our most recent Modern Slavery Statement, which is available on our website at [www.persimmonhomes.com/corporate](http://www.persimmonhomes.com/corporate).

#### Ethical business practices

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





## Non-financial and sustainability information statement

# Key matters and where to find them

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

» An overview of our business model is set out on pages 08 and 09

» Our policies are available on our website [www.persimmonhomes.com/corporate/sustainability/policies-and-statements](http://www.persimmonhomes.com/corporate/sustainability/policies-and-statements)

Reporting requirement	Relevant policies and standards governing our approach	Where to read more in this report and how we manage the associated risks
<b>Environmental matters</b>	<p>Climate change is considered a principal risk for the Group, as disclosed in our <b>Climate Change Position Statement</b>. Detailed information on the risks and opportunities posed by climate change can be found throughout this report and our TCFD disclosures are set out on pages 60 to 69.</p> <p>We recognise that our activities have an impact on the environment and that we have a responsibility to consider and minimise these impacts. This commitment is formalised through our <b>Environmental Policy</b>, which forms a key part of the Group's overall approach to sustainability.</p> <p>Ensuring that we operate in a responsible way, and that we build homes and communities that are both efficient and sustainable, is fundamental to the continued success of our business. Our <b>Sustainability Policy</b> outlines the Group's three sustainability pillars that shape our approach to how we undertake our activities as a responsible developer.</p>	» See pages 30 to 40, 60 to 69 and 72
<b>Employees</b>	<p>Our <b>HR strategy</b> is well established and supports our ambition to become the employer of choice in the sector.</p> <p>We place great emphasis on designing our developments and planning our work so that customers have a safe home to live in and our workers are kept safe whilst these homes are being built. Our <b>Health and Safety Policy</b> sets out the Group's health and safety aims and is implemented through our health and safety management system for our operational activities.</p> <p>Our aim as set out in our <b>Equality, Diversity and Inclusion Policy</b> is to be an employer of choice and for our workforce to be truly representative of all sections of society and our customers, and for each employee to feel respected while realising their full potential.</p>	» See pages 23 to 27 and 73
<b>Social matters</b>	<p>Transforming communities is just one of the sustainability pillars outlined in our <b>Sustainability Policy</b> that shape our approach to how we positively transform communities directly connected to Persimmon's activities.</p> <p>Our <b>Community Champions</b> initiative was established in 2015 and has already donated c.£4m to around 3,750 good causes across Great Britain. We also ran a range of <b>community events</b> as part of our ongoing partnership with Team GB, along with other great initiatives. More information on this is available on our website: <a href="http://www.persimmonhomes.com/community-champions">www.persimmonhomes.com/community-champions</a>.</p>	» See pages 41 to 45 and 15
<b>Human rights</b>	<p>We are committed to treating our employees, customers, suppliers and business partners in a fair and respectful manner. Our <b>Human Rights Policy</b> sets out the standards to which we will operate to ensure these rights are upheld throughout our businesses and operations.</p> <p>Our <b>Modern Slavery Statement</b> sets out the steps taken by us to prevent modern slavery and human trafficking within the Group's business and its supply chain.</p> <p>We expect our suppliers and supply chain to join us in working as sustainably and ethically as possible, which is why we require all our suppliers to comply with our <b>Supplier Principles</b>.</p>	» See page 50
<b>Anti-corruption and anti-bribery</b>	<p>Our aim is to maintain a culture within the Group in which bribery and corruption are never seen as acceptable behaviours. Our <b>Anti-Bribery and Corruption Policy</b> outlines our approach to the prevention of bribery and corruption, as an extension to our <b>Code of Ethics</b>.</p> <p>We value our reputation for complying with all aspects of UK tax law, so we have taken steps to make sure we do everything in our power to prevent the facilitation of tax evasion, as set out in our policy on <b>Preventing and detecting tax evasion</b>.</p>	» See page 93
<b>Non-financial KPIs</b>	We measure a number of non-financial KPIs to ensure the business is effectively managing its responsibilities.	» See pages 18 and 19



## Section 172 statement

# Engaging with our stakeholders

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

Section 172(1)	How the Board considered its duties
The likely consequences of any decision in the long term	<ul style="list-style-type: none"> <li>• Our markets » see pages 06 and 07</li> <li>• Our business model » see pages 08 and 09</li> <li>• Principal and emerging risks » see pages 70 to 75</li> <li>• TCFD » see pages 60 to 69</li> <li>• Viability statement » see pages 76 to 78</li> </ul>
The interests of the Group's employees	<ul style="list-style-type: none"> <li>• Our people and culture » see pages 23 to 27</li> <li>• Stakeholder engagement: employees » see page 54</li> <li>• Principal and emerging risks » see pages 70 to 75</li> <li>• Sustainability: safe and inclusive » see pages 46 to 50</li> </ul>
The need to foster the Group's business relationships with suppliers, customers and others	<ul style="list-style-type: none"> <li>• Our strategic framework » see page 01</li> <li>• Our business model » see pages 08 and 09</li> <li>• Sustainability: transforming communities » see pages 41 to 45</li> <li>• Stakeholder engagement » see pages 52 to 58</li> </ul>
The impact of the Group's operations on the community and the environment	<ul style="list-style-type: none"> <li>• TCFD » see pages 60 to 69</li> <li>• Principal and emerging risks » see pages 70 to 75</li> <li>• Sustainability: building for tomorrow » see pages 30 to 40</li> <li>• Sustainability: transforming communities » see pages 41 to 45</li> </ul>
The desirability of the Group maintaining a reputation for high standards of business conduct	<ul style="list-style-type: none"> <li>• Our business model » see pages 08 and 09</li> <li>• Audit &amp; Risk Committee Report » see pages 110 to 115</li> <li>• Principal and emerging risks » see pages 70 to 75</li> </ul>
The need to act fairly as between stakeholders of the Group	<ul style="list-style-type: none"> <li>• Capital Allocation Policy » see page 59</li> <li>• Other disclosures » see pages 116 to 118</li> <li>• Stakeholder engagement » see pages 52 to 58</li> <li>• 2025 Annual General Meeting » see page 93</li> </ul>



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

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



## 1 Customers

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

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

### How do we engage?

We communicate with our customers in a number of ways:

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

#### Links to our strategic framework

- 1 Build quality and safety
- 2 Reinforce trust: customers at the heart of our business
- 5 Supporting sustainable communities

### What did our customers tell us?

	Feedback	Outcome and effects on Board decisions
<b>Affordability</b>	Our customers want attractively priced, sustainable and energy-efficient homes.	Our private average selling price is c.20% lower than the UK national average for new build homes, widening the opportunity for home ownership to thousands of families and first-time buyers. Our three strong brands (Persimmon Homes, Charles Church and Westbury Partnerships) offer our customers a range of choice and value in their respective markets.
<b>Accessibility</b>	Our customers want to be able to communicate with our teams quickly and easily, at times and in ways convenient to them. Customers value a blend of digital and interpersonal customer experiences.	We have increased our investment in our customer experience function, including in digital technology and training.
<b>Quality</b>	Our customers expect high-quality homes.	We have continued to invest in and progress 'The Persimmon Way', our Group-wide consolidated approach to new home construction which is considered to be a key driver to deliver consistent quality across our business.

### How do we measure the effectiveness of our engagement?

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

#### Persimmon Homes Trustpilot score

**4.5**

(2023: 4.2)

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

#### Number of homes sold

**10,664**

(2023: 9,922)

new homes in 2024, an increase of 7% on last year.

#### NHBC Reportable Items

**0.26**

(2023: 0.28)

Our NHBC Reportable Items score has improved by 7% during the year, reflecting our build quality improvements.

#### HBF customer satisfaction survey scores

The eight-week and nine-month HBF surveys represent our key customer service metric. We are proud to be a five-star builder with an eight-week survey score of **96.0%**.



#### Monitoring site visitors and website traffic levels

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

#### Speed of resolution of any customer issues

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



### A smooth and simple first-time buyer experience

When Aaron and Jasmine bought their first home at Orchard Mews in Pershore, they found the process to be far less complicated and stressful than they had imagined buying a house would be. Here's their story:

"We heard that buying your first home was a long daunting process, but from our experience the only thing we can say is how quick, simple and reassuring the whole process was."

"Choosing a Persimmon new build meant we could start enjoying our home straight away. We like new builds because everything's brand new. No waiting, no chain and energy-efficient appliances. It's modern, it's clean and it's a blank canvas for us to personalise."



## Section 172 statement continued

### 2 Employees

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

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

#### How do we engage?

- Through our Employee Engagement Panel, meeting regularly throughout the year. Each meeting is usually attended by a Board Director and is chaired by our Chief HR Officer. The Chairman, Workforce Non-Executive Director, Chair of the Remuneration Committee and Chief Financial Officer attended meetings in 2024.
- Through our intranet and improved internal communications to all employees on matters such as our business activities and priorities, the achievements of our business and our employees, and our work in local communities.
- Through Employee Engagement Surveys and the resulting actions and plans.
- Through our two network groups (Women's Network and Persimmon Pride) and our ethnic minority discussion group.
- Through our Health, Safety and Environment department and increased online training procedures.
- Through role-specific conferences.
- Through Board member attendance at the Group's Leadership Development Programme.

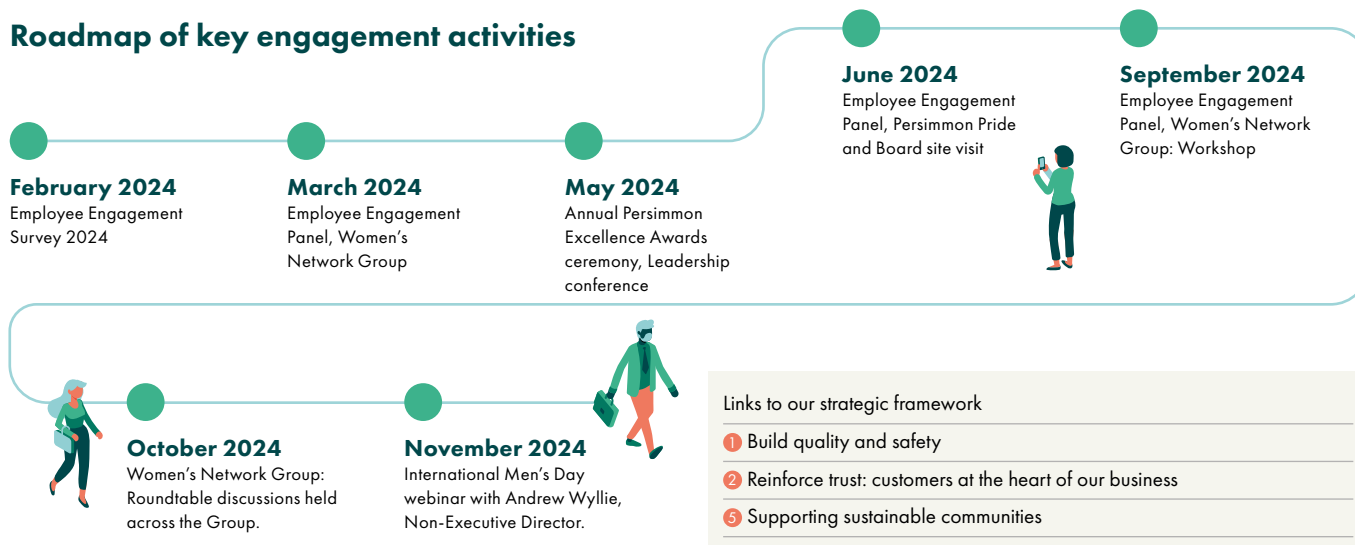
#### How do we measure the effectiveness of our engagement?

- Feedback from the Employee Engagement Panel.
- Changes to our employee turnover and absence rates.
- Through the results of our annual Employee Engagement Survey.
- Through our customer satisfaction surveys and quality measures.

### What did our employees tell us?

	Feedback	Outcome and effects on Board decisions
<b>Strong employee commitment</b>	Our overall 2024 Employee Engagement Survey had an 81% employee engagement score, with 90% committed to the Group and what we are trying to achieve, while 91% understand how their work contributes to Persimmon's goals. With year on year growth in our scores around customers, quality and Health, Safety and Environment, these results continue to prove that the investments being made in the business are working for our employees.	<ul style="list-style-type: none"> <li>• We have continued to invest in and develop our Talent and Diversity and Inclusion strategies. Throughout the year, the Group has made progress on embedding equality, diversity and inclusion, resulting in an increased rating on an externally assessed diversity &amp; inclusion audit, moving from Bronze to Silver.</li> </ul>
<b>Recognition</b>	Recognition is important, and employees want to feel valued and appreciated. We are committed to fairly rewarding our employees and celebrating excellence through recognition at our annual Persimmon Excellence Awards ceremony. Our site teams, supported by colleagues across all departments, are actively encouraged to work towards recognition such as our NHBC Pride in the Job and Premier Guarantee's Quality Recognition Award. We also have our internal 'Persimmon Praise' tool, providing the opportunity to acknowledge and celebrate colleagues.	<ul style="list-style-type: none"> <li>• We formulated bespoke development programmes, designed to provide support and guidance from early careers through to executive development.</li> <li>• We continue to be an accredited Living Wage Foundation employer.</li> <li>• We improved communications to promote employee wellbeing, including our Employee Assistance Programme.</li> </ul>
<b>IT improvement</b>	Our IT transformation has made great progress and 59% of our employees have seen improvements with IT.	<ul style="list-style-type: none"> <li>• We continued to improve our internal communications strategy, utilising a range of channels, including our intranet.</li> </ul>

### Roadmap of key engagement activities





### 3 Communities

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

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

#### How do we engage?

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

#### How do we measure the effectiveness of our engagement?

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

#### Links to our strategic framework

- 1 Build quality and safety
- 2 Reinforce trust: customers at the heart of our business
- 5 Supporting sustainable communities

### What did our communities tell us?

	Feedback	Outcome and effects on Board decisions
<b>Sustainability</b>	Affordable homes with lower running costs and better energy efficiency.	We focus on sustainability by trialling low-carbon building methods to meet regulatory and environmental objectives. In line with the Future Homes Standard and New Build Heat Standard in Scotland, we have developed energy transition plans for all our developments. We have started installing low-carbon designs and heating solutions, such as air source heat pumps, ahead of regulatory requirements to help us achieve our target of net zero carbon in our homes in use by 2030.
<b>Infrastructure investment</b>	Local infrastructure investment is important in improving community environments.	Our Placemaking Framework has improved the guidance and tools for our Planning and Design teams. Our new developments feature enhanced green spaces, such as allotments and orchards to promote wellbeing. We are proud to create spaces that bring communities together.
<b>Community involvement</b>	To be an active part of the community through supporting local charities, sports clubs and community groups.	We help to support our communities by making donations to local charities, sports clubs and community groups in the areas where we operate. During the year, the Company has donated c.£905,000 to charities, sports clubs and local community groups across the country. Our partnership with Team GB allowed us to welcome athletes to a number of our events, from show home openings to inspiring meet and greets in the communities we created.
<b>Engage with local feedback</b>	To be positive and responsive to the views of local people.	We engage with our local communities and local planning authorities through the development process of our sites to ensure that they will meet local needs.
<b>Fire safety concerns in high rises</b>	Leaseholders and occupants of high-rise buildings have been concerned with fire safety issues.	This year, the Government introduced a joint plan to accelerate building safety remediation, which we have joined. The Group is already effectively delivering the accelerated requirements. While the obligations under the self-remediation contracts with the English and Welsh Governments remain unchanged, our commitment to the joint plan reinforces our ongoing efforts to resolving building safety issues. We continue to ensure that leaseholders are not financially impacted by the costs associated with necessary cladding removal or fire safety remediation in buildings constructed by the Group. Understanding the importance of building safety, we are pleased to report that over 73% of affected developments are either being remediated or have been completed, with most works expected to be finished over the next two years.

**c.£905k**  
donated by Persimmon  
Regional and Community  
Champions in 2024

**c.355**  
organisations received  
charitable donations  
in 2024

**c.£2.2bn**  
investment in local commu-  
nities (over 5 years)

**13,064**  
plots achieving detailed  
planning in 2024



#### Midlands team helps to restore historic wellbeing site in Thornby

A Northampton-based wellbeing and meditation group secured a £5,000 donation from our Midlands team, helping it to restore the roof of its historic Jacobean headquarters.

Nagarjuna Kadampa Meditation Centre received the funding as part of our Community Champions initiative. The group has been raising funds to help with repairs to the historic Jacobean building's roof, which has areas that are leaking. The Centre – comprised solely of volunteers – has already hosted several fundraising activities, with our donation making a significant contribution to the overall target.

## Section 172 statement continued

### 4 Suppliers and subcontractors

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

The Group benefits from long-standing relationships with many of its suppliers and subcontractors. These assist in securing the quality and supply of materials to deliver the Group's build programmes effectively. We engage with suppliers and subcontractors to ensure adherence to our stringent health and safety standards and required standards of ethical behaviour and integrity, supported by the continued implementation of framework agreements inclusive of policies, KPIs and expected service levels.

#### How do we engage?

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

#### How do we measure the effectiveness of our engagement?

- The Group Procurement department provides routine monitoring of trends and supplier performance.
- Through partnership longevity: the Group's Procurement team is responsible for managing the strong, long-standing relationships we hold with our main suppliers.

#### East Scotland team hosts subcontractor seminar

In early 2024, our East Scotland business hosted a seminar, focusing on the future of our business and the invaluable role that subcontractors would play in the year ahead.

Over 120 subcontractors joined the seminar, engaging in discussions on a variety of key topics, including quality standards, customer focus, apprenticeships, and health and safety.

The seminar provided a platform for open discussions, strengthening our partnership with subcontractors and aligning our approach for continued growth and excellence.



### What did our suppliers and subcontractors tell us?

Feedback		Outcome and effects on Board decisions
<b>Collaborative innovation</b>	Our suppliers and subcontractors want to work collaboratively to identify innovative solutions and alternative products to support changes to statutory requirements and building regulations (such as the transition to the Future Homes Standard) and delivery of our objectives.	<ul style="list-style-type: none"> <li>• Our tendering processes have been strengthened through standardisation of our procurement process, greater central oversight and an expanded use of framework agreements.</li> </ul>
<b>Supply chain optimisation</b>	Material delivery monitoring and reporting is important, to support compliance and identify opportunities for reduction of excess stock to develop a robust supply chain, while remaining diligent in preventing modern slavery and protecting human rights.	<ul style="list-style-type: none"> <li>• We seek to secure Group-wide deals covering all major elements of our construction process. These relationships and agreements enable the Group to have consistent standards of quality, security of cost and supply of materials whilst providing our suppliers with certainty over volumes, revenues and cash flows.</li> </ul>
<b>Supply chain monitoring</b>	They continue to monitor the impact of global supply chains and price-sensitive impacts to enable continued service delivery, collaborating with manufacturers to implement risk mitigation measures and prioritising responsible sourcing and human rights protection.	<ul style="list-style-type: none"> <li>• We have signed up to the Future Homes Hub 'Homes for Nature' commitment.</li> </ul>
<b>Supply chain forecasting</b>	The Group works in partnership with its suppliers, providing material demand forecasting, with periodic updates detailing any variations. This ensures continuity of supply, providing continuity and visibility of future workflows.	<ul style="list-style-type: none"> <li>• We have also been engaging with our suppliers to assess the embodied carbon of our house types in order to identify materials with the most impact.</li> </ul>
<b>Making payments on time</b>	Timely payment of invoices is important – we pay invoices within agreed timescales.	

Links to our strategic framework

- 1 Build quality and safety
- 2 Reinforce trust: customers at the heart of our business
- 5 Supporting sustainable communities



## 5 Shareholders

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

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

### How do we engage?

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

### How do we measure the effectiveness of our engagement?

- Feedback from analysts and investors.
- Movement on the share register.
- Share price relevant to the sector.

Links to our strategic framework

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



### Investor site visit to Brickworks/Tileworks

To facilitate investors' understanding of our business, we organise site visits to our operations. In June 2024, one such visit involved taking a group of potential investors on a tour of our Brickworks and Tileworks factories in Doncaster. This showcased how our vertically integrated model supports our strategy by providing opportunities for innovation, cost savings, agility and security of supply. After the factory tour, we visited one of our sites, Warren Park, also in Doncaster. This allowed the investors to see an active development and meet with some of the team, from the Regional Chair of North East & Yorkshire and Managing Director for Yorkshire, to our subcontractors.

### What did our shareholders tell us?

	Feedback	Outcome and effects on Board decisions
<b>Environmental-related metric</b>	Our shareholders would like an environmental metric incorporated into our incentive awards.	Inclusion of an environmental metric in the performance condition was first introduced for the 2023 PSP awards. For 2024, the carbon reduction measure focused on the Group's absolute Scope 1 and 2 carbon emissions.
<b>Board diversity and succession</b>	Requirement of a diverse Board and pipeline of talent for succession to executive positions.	The Group has maintained a rigorous process for each Board appointment, led by the Nomination Committee. The Group engages with external search firms, specialising in executive recruitment to intentionally target diverse candidates. Throughout the year, the Nomination Committee continued to focus on succession planning to further strengthen and diversify the Board.
<b>Sustainable dividend</b>	Our shareholders have a preference for a sustainable dividend.	We recognise the importance of returns for our shareholders, reinforced through our Capital Allocation Policy. For 2024, the Board approved an interim dividend of 20p per share and has recommended a final dividend of 40p per share.
<b>Fair pay</b>	Our shareholders are committed to fair pay for the whole workforce.	The Group is committed to providing all employees with opportunities to reach their full earning potential. As an accredited Living Wage Foundation employer, we continue to pay the Real Living Wage. Wider workforce remuneration remains a key focus for the Remuneration Committee.

**92.1p**  
Underlying basic earnings per share for the year, being 12% higher than 2023

**60p**  
total dividend for the year

**c.250**  
interactions with c.200 investors during the year

**64.82%**  
of the share register voted at our last AGM



## Section 172 statement continued

### 6 Government, regulators and industry bodies

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

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

#### How do we engage?

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

#### How do we measure the effectiveness of our engagement?

- The Board receives updates from the Group Chief Executive and Group Director of Strategic Partnerships and External Affairs regarding direct engagement with government, Homes England and the Home Builders Federation.
- Our engagement has led to an enhanced planning approach, with over 20% increases year on year in plots receiving detailed consent.

Links to our strategic framework

- 1 Build quality and safety
- 2 Reinforce trust: customers at the heart of our business
- 5 Supporting sustainable communities

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

	Feedback	Outcome and effects on Board decisions
<b>New homes target</b>	The Government is determined to increase new housing supply and deliver 1.5m new homes across this parliament.	We have increased new land investment in recent years and improved our approach to planning to grow our active outlets year on year. During the year, we achieved planning on 13,064 plots.
<b>Building Remediation</b>	The Government has introduced the Remediation Acceleration Plan, to target an increase in the pace of remediation across the sector.	The Group has committed to the Government's Remediation Acceleration Plan aimed at accelerating progress on building safety remediation. As part of this joint initiative, the Group has agreed to meet targets on eligible buildings' assessment and works starting. The Group is already well-advanced and aims to have completed works on the majority of buildings by the end of next year, ahead of the Government's targets. This commitment builds on the Group's self-remediation contracts with both the English and Welsh Governments to protect leaseholders from the financial burden of necessary cladding removal and other life-critical safety issues on buildings constructed by the Group. We continue to work positively with the Scottish Government on a similar agreement.
<b>HS&amp;E expertise</b>	It is essential to maintain a skilled and well-resourced Health, Safety and Environment Department.	Training is key to mitigating health and safety risks, with all workers and subcontractors receiving extensive training. HS&E modules and Toolbox Talks are regularly delivered using Group-wide materials, with topics tailored based on ongoing performance monitoring. During the year, we launched the Target Zero campaign, aimed at raising safety awareness and accountability to minimise incidents and protect colleagues. We were awarded Building a Safer Future Chartered Champion status in March 2023 and successfully retained this status when audited this year. A Health and Safety performance metric has been introduced to the Executive Director's annual bonus.
<b>Community engagement</b>	To reflect the views of local authorities and communities in the plans we develop.	We work with landowners, local communities, and planning authorities to address housing needs and foster positive relationships. By delivering new housing in areas of greatest need, we support local employment and make valuable contributions to local infrastructure.

#### Absolute Scope 1 and 2 emissions (market based)

## 20,306 tonnes CO<sub>2</sub>e

Our absolute carbon reduction emissions have reduced during the year (2023: 21,973), keeping us on track with our science-based carbon target, which is further supported by our environmental-related performance metrics for our 2024 PSP awards.

## 7%

improvement in our NHBC Reportable Items score, meaning we are now placed in the top half of the housebuilding sector.



#### Sir Keir Starmer MP visit to Germany Beck

In June, we welcomed Sir Keir Starmer to our Germany Beck development in Fulford, York, where he met some of our local apprentices.

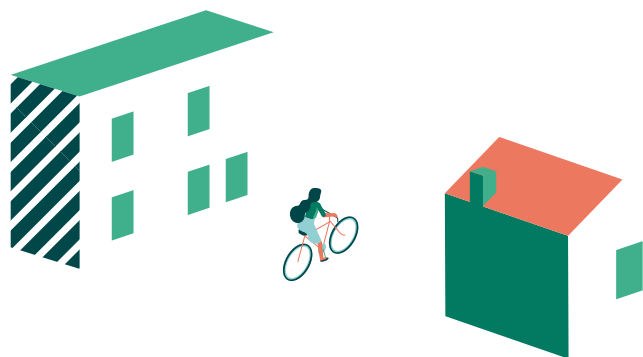
Sir Keir spent time with the apprentices to talk about their training with Persimmon. With housing such a prominent issue in the election campaign, we were delighted to be able to show Sir Keir and his team how we are providing good quality homes for local people.





## Principal decisions

We define principal decisions as both those that are material to the Group but also those that are significant to any of our key stakeholder groups. In making the following principal decisions the Board considered the outcome from its stakeholder engagement (pages 52 to 58) as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between members of the Company. A description of principal decisions made by the Board during 2024 and to the date of this report is provided across. Further information regarding the main activities of the Board during the year are set out on pages 86 to 88.



### Building Safety Remediation and Provision

**Stakeholders affected by the decision:** ① ③ ⑤ ⑥

As set out on page 21, we have continued to make good progress on our Building Safety Programme and have completed works or are on site with 73% of known developments, delivering ahead of the Government's targets.

During the year the provision was increased through a net charge of £2.0m in relation to the anticipated costs of the Group's commitments. This increase included the recoverability of VAT applicable to such costs, offset by additional rectification works identified once site works had commenced.

The Group spent £58.1m on the Programme during the year, with total aggregate expenditure now over £120m. Given our own proactive approach and the sustained and significant publicity around unsafe cladding and building safety, we do not anticipate significant new building additions into the Programme.

### TopHat

**Stakeholders affected by the decision:** ① ③ ⑤

In April 2023, the Group committed to invest £25.0m into TopHat, an innovative modular home manufacturer. During 2024, due to a re-assessment of risks within the modular build sector, the Group recognised an exceptional charge of £25.0m in relation to its investment and long-term loan notes in TopHat Enterprises Limited and wrote down the value of the investment and long-term loan notes to £nil. While the Board acknowledges that this decision would affect customers and communities in which we build, the broader market challenges for volumetric modular manufacture have led us to take the prudent decision to write down our original investment. We continue to work with TopHat as they reposition the business to focus on the facade product.

### Health and Safety campaign – Target Zero

**Stakeholders affected by the decision:** ① ② ③ ④

The Board supported the Group's launch of its 'Target Zero' health and safety campaign, which is designed to drive awareness of workplace safety and reduce the volume of safety-related incidents in our operations. Understanding the importance of target zero, a health and safety metric has been introduced to the Executive Directors annual bonus for 2025.

### Capital Allocation Policy

**Stakeholders affected by the decision:** ② ⑤

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

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

The Board announced an interim dividend of 20p per share in August 2024, which was paid on 8 November 2024. The Board has also recommended the payment of a final dividend of 40p per ordinary share for the year ended 31 December 2024 to be paid on 11 July 2025. In determining the capital returns, the Board considered the ongoing performance of the business and prevailing market conditions. The Board balances returns to shareholders with the needs of the Group's other key stakeholders in order to deliver a level and nature of return that is considered sustainable in the long term.

#### Our Stakeholders

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

## TCFD

# Task Force on Climate-related Financial Disclosures (‘TCFD’)

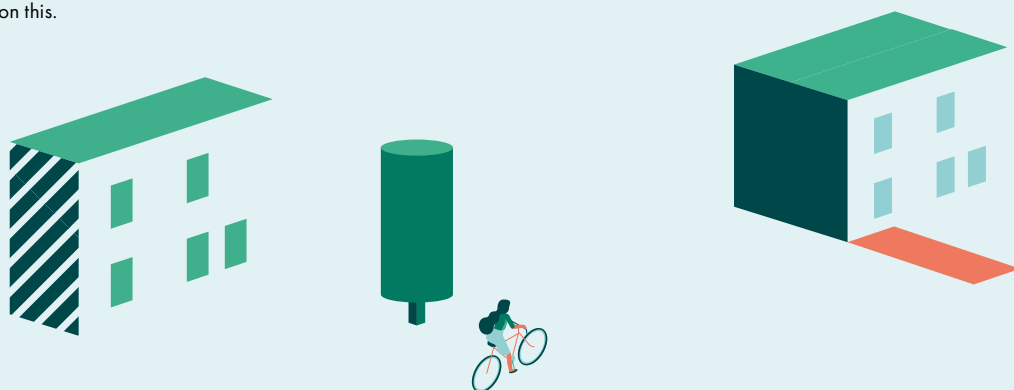
**The Board recognises the global climate emergency and the risks and opportunities posed by climate change to the Group’s business model and strategy.**

**Climate change is identified as a principal risk for the Group, and the Group reports climate-related disclosures consistent with the latest TCFD recommendations and supporting recommended disclosures and will continue to mature its level of reporting following the requirements.**

In 2022, we undertook a comprehensive TCFD assessment, which included a detailed analysis of identified transition risks to assess their potential financial impacts. In addition, detailed physical risk modelling was performed at a regional level to determine potential financial impacts. This assessment provided the direction required for the next few years, and actions for 2024 have been based on this.

The Group has set ambitious climate reduction targets to achieve net zero carbon homes in use for 2030 and net zero carbon in our operations by 2040. These are supported by near-term science-based targets for carbon emissions reductions validated by the Science Based Targets initiative (‘SBTi’). Long-term science-based targets have been developed and are being progressed with the SBTi for approval. The target year of 2045 has been set, and a reduction in carbon emissions of around 90% by this date is expected, with the remaining offset or neutralised through a suitable mechanism. To achieve this significant but necessary level of carbon reduction, system-level change across sectors is required, with key enablers, such as decarbonisation of the grid and highly collaborative relationships with supply chains in place.

Our decarbonisation pathway (pages 31 to 34) lays out our strategic approach to reducing direct carbon emissions in our operations and the indirect emissions from our homes in use and from our supply chain. Performance against key metrics is shown on page 69.



## 1 Governance

Climate change is considered a principal risk for the Group and, as such, it is governed and managed in line with the Group’s risk management framework. See page 70 for further details.

The Board has overall responsibility for the management of risks and opportunities arising from climate change and, on an annual basis, undertakes a Group-wide review which includes consideration of climate risk. In particular, the Board has taken an active role in understanding the impacts of future legislation with a focus on the implementation of the forthcoming Future Homes Standard and Scope 3 reductions.

The Sustainability Committee supports the Board’s climate responsibility and oversees the Group’s climate change strategy to ensure climate issues are being effectively considered and that the business remains on track to meet its science-based reduction commitments. Progress updates are provided regularly to the Board. During 2024, the Sustainability Committee focused on business readiness and planning for the Future Homes Standard. It received updates from the FHS Implementation Steering Group and ensured that operational carbon reduction initiatives remained on track to deliver its net zero and science-based target carbon emissions reduction commitments.

The Group Sustainability Director and Group Strategy and Regulatory Director are responsible for updating the climate risks within the Group risk register and consulting with key Group functions to ensure comprehensive coverage of potential impacts and mitigation plans. The findings are taken to the Sustainability Committee and communicated to relevant internal working groups for action.

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

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



## 2 Strategy

Our strategy sets out our path to achieve net zero carbon by 2045 with clear actions to reduce carbon emissions from our operations, our homes in use, and our supply chain. We have near-term science-based carbon emissions reduction targets of 46% for Scope 1 and 2 absolute emissions and 22% per m<sup>2</sup> completed floor area for Scope 3 emissions by 2030, which are approved

by the SBTi. Long-term net zero carbon targets have been established for 2045 and are being progressed with the SBTi for approval. These will deliver a circa 90% reduction in Scope 1, 2 and 3 emissions, with the remainder being offset or neutralised through approved mechanisms.

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



### 1. Create low-carbon homes

- Reduce energy demand: design homes to be more energy efficient.
- Understand performance and customer experience: gather real-life in-use data from our low-carbon home trials.
- Innovation: continue to instigate technology trials to be at the forefront of innovation, build strategic relationships with the supply chain and continue to invest in our off-site manufacturing facilities.
- We are currently implementing Part L of the Buildings Regulations 2021, delivering a 31% reduction in carbon emissions, and readiness plans are in place for the Future Homes Standard, anticipated to come into force from 2026/27.



### 2. Deliver low-carbon site operations

- Reduce our use of diesel across our sites.
- Introduce new technologies such as electric and hybrid plant when available and appropriate.
- Set standards and benchmarks for energy reduction and management on site.



### 3. Reduce embodied carbon

- Assess embodied carbon to identify high-impact materials and services.
- Maximise the benefits from our vertical supply chain and opportunities through design.
- Supply chain: communicate our strategy to our suppliers and work with our supply chain to reduce embodied carbon in materials.



### 4. Ensure climate change resilience

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

## Climate scenario analysis

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

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

- short term (end 2025); medium term (end 2030); and long term (to 2040+).

These timescales have been chosen as the most relevant to the business, reflecting major future legislative change expected in 2026/27 with the introduction of the Future Homes Standard and aligning with the Group's net zero carbon and science-based targets commitments.

### Low carbon world 1.5°C

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



### Paris consistent scenario ~2°C

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



### Hot house world ~4°C

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



## Climate scenario analysis outputs

From the scenario analysis which has been undertaken, the residual risks for the business are considered to be low to very low for both transition and physical risk. This is based on current activities and control measures which are in place. The tables on pages 62 to 66 provide a high-level summary of the types of risks, their potential impact, the time horizons which have been considered and the Group's response. The detailed climate analysis modelling was undertaken in 2022 and has been reviewed to ensure it remains fully relevant for the assessment of climate risks.



## TCFD continued

### 3 Risk management

#### Transition risk analysis

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

Summary description of transition risks		Potential impact ranking	Timeframe of impact	Business action
<b>Policy and legal drivers</b>				
<b>Pricing of GHG emissions</b>	Carbon pricing could manifest as a range of environmental, planning or sector-wide taxes. Under the 1.5°C scenario, pricing of GHG emissions could be \$155–\$454 per tonne by 2030, and \$54–\$97 per tonne under the 2°C scenario. Carbon pricing could be felt through the supply chain and material costs.	High	Short	In plan
<b>Increasing national regulation relating to more stringent environmental standards</b>	Increasing stringency of building and planning regulations and design requirements to enable the UK Government to meet its 2050 net zero carbon target, including Part L of the Building Regulations, Future Homes Standard, National Policy Planning Framework and National Model Design Code. Many local authorities have declared their own climate emergencies, and the planning system will be a key vehicle for delivery. This could impact our development and growth plans and increase build costs.	High	Short	In plan
<b>Climate change litigation</b>	Climate-related litigation claims may be brought by investors, insurers, shareholders and public interest organisations. Reasons could include failure to adapt to climate change causing harm or greenwashing.	Low	Medium	Include in future plan
<b>Enhanced reporting obligations</b>	Additional emissions-related reporting requirements likely in the UK by 2030. This could include needing a materials passport in order to increase the circularity of building supply chains and updates to the Streamlined Energy and Carbon Reporting ('SECR') regulations. Scope 3 emissions reporting could also become mandatory.	Low	Short-medium	Include in future plan
<b>Technology shifts</b>				
<b>EV use</b>	To achieve the UK Government's net zero carbon commitment by 2050, there will be an increasing number of electric vehicles. Sufficient charging points and grid capacity will be required, which will have an impact on build costs.	High	Short	In plan
<b>Substitution of technology</b>	Risk of installing technologies at the beginning of a planning process that then become obsolete or outdated. Could affect customer satisfaction and sales. This is especially relevant at the point of the implementation of the Future Homes Standard.	Medium	Short	In plan
<b>Market</b>				
<b>Change in customer demands</b>	There is a risk that if energy prices increase, property buyers will want lower-carbon homes and expect greater energy operational efficiency. Inefficient properties could also fall in value, which could impact the market.	High	Short	In plan
<b>Supply chain resilience and increasing cost of raw materials</b>	Sourcing and availability of materials could be impacted by both transition and physical risks. There is a risk of increasing development costs, due to supply and demand, and likely carbon pricing on key materials such as glass, cement and insulation.	High	Short-medium	In plan
<b>Cost of capital</b>	As credit ratings begin to incorporate climate change considerations, there is a risk of downgrading and the cost of capital increasing.	Low	Medium	In plan
<b>Low-carbon technology availability</b>	Rapid uptake of low-carbon technologies such as air source heat pumps could cause market shortages and delay delivery of homes.	High	Short	In plan
<b>Skill shortage impacting ability to install low-carbon technology</b>	In order to reduce emissions to comply with planning requirements, access to different skills such as renewable specialists and heat pump installers will be required. A shortage could lead to delayed delivery and an increase in build costs.	High	Short	In plan
<b>Reputation</b>				
<b>Investment risk</b>	Risk to revenue and investment streams as clients and investors increasingly expect high levels of sustainability performance.	Medium	Medium	In plan
<b>Stakeholder risk</b>	Over the next decade social pressure regarding sustainability and increased public awareness could create a reputational risk if there is failure to reduce both operational and embodied carbon. The impact of this could be seen through delays in the planning process as local authorities enact their own climate action requirements.	Medium-high	Short-medium	In plan
<b>Employee risk</b>	As employees are becoming increasingly concerned with climate change issues, negative publicity around failure to deliver targets could make it difficult to attract and retain talent.	Low-medium	Short-medium	Included in employee survey



## Quantification of transition risk

The transition risks and opportunities with the most likely material impacts were selected for detailed climate risk analysis over short (2025) and medium (2030) time horizons. The assessment focused on a low-carbon world (1.5°C) scenario, associated with the most significant level of transition risk. The financial impact quantification relied on assumptions sourced from climate scenarios published by sources including IEA and NGFS, as well as public domain research.

It also built in assumptions agreed with a selection of the Group's internal subject matter experts for aspects such as expected volume delivery and the Group's 'uplift costs' to meet regulatory requirements. The table opposite summarises the scope of the four transition risks/opportunities impact assumptions, the Group's key mitigations and the residual risk exposure.

Risk was evaluated in terms of gross risk score (i.e. likelihood multiplied by impact). A score is attributed to inherent risk (i.e. without considering Persimmon's risk mitigations) and to residual risk (i.e. after factoring in mitigations). In other words, residual risk takes into account the risk mitigation/adaptation strategies and controls that Persimmon has in place to minimise the impact of the climate risk.

Transition risks are well understood by the business. Plans are already in place to mitigate the risks, and levels of potential residual risk are very low. This is based on the most up-to-date data and assumptions available. The Group will continue to track and monitor transition risks.

### Gross risk score (Impact x likelihood)

Risk	1	2	3	4	5
Opp	1	2	3	4	5
	Lower		Higher		Not assessed

### Residual risk/opp

**S** – Short term (end 2025)

**M** – Medium term (end 2030)

**L** – Long term (to 2040+)

Transition risk	Risk name	Low-carbon world scenario		
		S	M	L
<b>1</b>	<b>Increasing cost of raw materials</b>			
<b>Description:</b> There is a risk of increasing the cost of raw materials used in construction, driven by the transition to a low-carbon economy. Persimmon's suppliers could pass the impact of carbon pricing for high-carbon building materials such as steel and cement onto Persimmon, consequently impacting development costs.	<b>Impact assumptions:</b> Carbon prices based on IEA and NGFS forecasts; volume of homes and build type based on internal Persimmon projections; embodied carbon estimated based on current levels; and assumptions on future carbon intensity of input materials.  <b>Our controls/mitigation:</b> Costs ultimately recovered through land valuation; risk internally monitored by the Group's Procurement department; Scope 3/embodied carbon reduction targets; supplier initiatives; and in-creasing timber frame construction offers an opportunity to reduce embodied carbon.	2	2	
		<b>Max. financial impact:</b>  <£2m (Very low impact)		
<b>2</b>	<b>Pricing of greenhouse gas emissions</b>			
<b>Description:</b> Under a low-carbon world scenario, pricing of GHG emissions in the UK is expected to increase. This could impact Persimmon's operating costs. Uncertainty around UK pricing and regulations (e.g. cap and trade schemes) could make planning of future Persimmon operations difficult.	<b>Impact assumptions:</b> Carbon prices based on IEA and NGFS forecasts; and emissions based on current Scope 1 and 2 (location-based), factoring in the achievement of an emission reduction target of 46.2% by 2030.  <b>Our controls/mitigation:</b> Persimmon's sustainability strategy includes a core focus on climate action and resilience; on-site energy efficiency initiatives to reduce emissions from construction; more efficient build methods; and staff education around energy use.	1	2	
		<b>Max. financial impact:</b>  <£2m (Very low impact)		
<b>3</b>	<b>Climate-related regulations impacting products and services</b>			
<b>Description:</b> The UK may need to increase the stringency of building regulatory requirements as part of its efforts to meet its net zero 2050 target. This could affect Persimmon's developments in the form of increasing development costs to ensure all new buildings are zero carbon ready by 2030.	<b>Impact assumptions:</b> The volume of homes and build type based on internal Persimmon projections; uplift costs to meet Future Homes Standard based on internal Persimmon calculations; and assumptions on the cost of air source heat pumps linked to the UK's Low Carbon Heat Scheme.  <b>Our controls/mitigation:</b> Undertaking trials and innovation projects on new technologies and investing in our vertical integration factories; and building framework agreements with suppliers for technologies such as air source heat pumps. Costs ultimately recovered through land valuation.	2	2	
		<b>Max. financial impact:</b>  <£2m (Very low impact)		
<b>4</b>	<b>Changing consumer preferences</b>			
<b>Description:</b> There is a risk that by 2030 property buyers will want lower-carbon homes as they try to harness the opportunity of green mortgages and greater operational energy efficiency. If Persimmon can deliver low-carbon homes by 2030, this could create an opportunity for increased revenue by taking advantage of 'green premiums' on new-build properties.	<b>Impact assumptions:</b> Consumer research is indicating a premium for more energy-efficient homes, and a willingness to pay more for cost-effective energy-efficient homes; green mortgages also have an opportunity to support the transition to sustainable homes. However, the market is still evolving and financial valuation for green products is maturing.  <b>Our controls/mitigation:</b> Persimmon has clear plans in place to deliver low-carbon homes, ensuring they are affordable and cost-effective to run for customers; and monitoring of consumer trends will continue to ensure opportunities are maximised. We are members of the Future Homes Hub Valuations Group.	1	2	
		<b>Max. financial impact:</b>  Ongoing		





## TCFD continued

### 3 Risk management continued

#### Quantification of transition risk continued

##### Physical risk analysis

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

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





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



## Quantification of physical risk

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

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

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





### Risk scale

Very high   High   Moderate   Low   Very low

## TCFD continued

### 3 Risk management continued

#### Quantification of physical risk continued

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

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

#### Risk scale

Very high	High	Moderate	Low	Very low
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## Resilience of the Group's business strategy and business model

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

The Group, as is standard in the industry, reflects development costs when performing land valuations and potential climate risks are considered in the same manner. Land values will be reflective of potential mitigation costs; however, there may be challenges in the future where land in certain locations

is in scarce supply, or where land values are regionally low and will not support potential additional reductions from climate mitigation costs.

An internal annual climate risk health check was performed in 2024 to ensure the controls and mitigation measures identified as part of the climate risk assessment remain in place and are effective, and to identify whether anything had changed within the business to present a new risk or opportunity. The review was structured against the identified transition and physical risk and took the form of a questionnaire and interviews with subject matter experts in Group Planning, Group Technical and Group Procurement.

### Transition risk mitigations and opportunities

- The Group has core house types used across its national network of development sites which help ensure that any new regulatory requirements can be effectively and consistently applied.
- The Group delivers increasingly energy-efficient homes, thereby attracting a strong customer base.
- The Group has developed its strategy for delivering Part L of the Building Regulations, which requires new build homes to produce c.30% less carbon emissions compared to previous standards. Our homes have improved insulation, improved ventilation, and more efficient boilers. Many also have solar panels to achieve this improved efficiency. The Future Homes Standard ('FHS'), expected in 2026/27, will require homes to produce 75%–80% less carbon emissions. This is expected to require a switch to alternative heating systems such as air source heat pumps, higher levels of insulation and air tightness, and additional energy recovery or generation technologies. The Group is already well-placed to deliver this.
- All development sites have an energy transition plan in place which identifies the site build maturity and regulatory transition periods and identifies appropriate energy heating solutions. The next few years will see a combination of heating solutions as, in some cases, existing planning permissions will be for gas systems.
- The Group has several pilot projects to assess the most effective method of achieving the FHS. The pilot projects are being used to: trial new technologies such as infra-red heating; assess the most effective build methods of achieving the improved efficiency required using a 'fabric first' approach; and gain feedback from customers on the 'liveability' of the homes.
- The improved efficiency of new homes is also a significant opportunity for the Group as we develop homes which will have a lower impact on the environment and are more energy efficient.
- In designing our developments particular attention is paid to all issues that surround the policy transition necessary to achieve new, more stringent climate and environmental policy requirements. To deal proactively with local and site-specific interpretation/application the Group has developed design and access statement templates aligned with the National Model Design Code.
- The Group's business model includes vertical integration; the Group owns timber frame, wall panel and roof cassette manufacturing facilities. These modern methods of construction assist in building low-carbon homes, with a reduced build time.
- The Group has gained a more detailed understanding of the embodied carbon risk of its house types and the potential carbon pricing and subsequent raw material cost increase risks. The Group Procurement team is increasing supply chain engagement on high-carbon materials.
- The Group's UK-wide and diverse high-quality land holdings support its strong network of outlets and ensure the business is well-positioned to invest in land at the right time in the cycle. The strong gross margins embedded in the Group's existing landholdings help to absorb potential volatility caused by increasing building costs.
- The Group's significant ongoing investment in training ensures that it maintains an appropriate skill base to manage changes to operations and processes required by climate change mitigation requirements.

### Physical risk mitigations and opportunities

The Group already manages a number of potential physical risks, such as flooding, as part of its planning activities. These have been further informed by the detailed climate risk analysis which considered the potential risks and opportunities at a more granular level and identified potential financial implications.

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





## TCFD continued

### 3 Risk management continued

#### Risk management

As a principal risk for the Group, climate risk is governed and managed in line with the Group's risk management framework; see page 70. The framework requires identification of the risk, evaluation of the potential impact, the consequences, allocation of the risk owner, probability assessment, description of controls and controls owner, and finally, an evaluation of any residual risks. The Group's identification and assessment of risks is managed by the Audit & Risk Committee, with the Board taking ultimate responsibility for risk management.

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

The climate risk register is reviewed and updated, as required, on at least an annual basis. It is arranged into transition risks and physical risks. As risks are identified, the Group considers whether the business strategy and business model already manage/mitigate the relevant risk.

If any gaps are identified, then following the risk framework, the Group establishes the appropriate response.

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

### 4 Metrics

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

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

As such, the Group has set targets to be:

- net zero carbon in our homes in use by 2030; and
- net zero carbon in our operations by 2040.

This commitment is supported by near-term approved science-based carbon targets to reduce our operational emissions (Scope 1 and 2) by an absolute of 46.2% (vs 2019 baseline) and our indirect emissions (Scope 3) from our supply chain and homes in use by 22% per m<sup>2</sup> completed floor area by 2030 (vs 2019 baseline). These reductions will be achieved through wider supply chain engagement, product innovation and changes to current operational processes. Long-term net zero carbon targets are being progressed with the Science Based Targets initiative for approval. A target date of 2045 has been set, and emission reductions are expected to be around 90% (from a 2019 baseline), with the remaining 10% being offset through a suitable mechanism.

The Board believes in the importance of ESG, and the Remuneration Committee implemented an environmental 2023 PSP environmental target linked to reducing Scope 1 and 2 carbon intensity. For the 2024 PSP environmental target, the reduction in Scope 1 and 2 carbon emissions remains but has been set as an absolute reduction measure.

The table on the next page shows our climate-related metrics and targets. These will be updated in 2025 when our long-term science-based carbon reduction targets have been approved.







Time period	Target	Metrics	Climate risk/opportunity	2024 status
Short term (2022–2025)	Continue to embed climate risk and opportunity analysis into the business strategy and operations	Qualitative		Data visibility – Group Executive, Regional Chairs receive business-wide bi-monthly diesel use figures  Driving change – establishment of Future Homes Implementation Group
	Scope 1 and 2 – reduce our operational footprint	Absolute carbon reduction (market based)	Carbon pricing	Reduced by 8% compared to 2023
	Maintain 100% carbon neutral electricity purchased – green/REGO backed	100% REGO backed electricity	Carbon pricing	100% achieved
	Undertake embodied carbon assessments, set reduction targets	Tonnes CO <sub>2</sub> /m <sup>2</sup> completed floor area	Increasing cost of raw materials	Embodied carbon study undertaken  Targets under development
	Supply chain engagement on embodied carbon	Action plans in place to reduce carbon content of top CO <sub>2</sub> contributors	Increasing cost of raw materials	c.30% Ground Granulated Blast Furnaced Slag ('GGBS') planned for bricks in 2025
Medium term (2030)	Homes to be net zero carbon in use by 2030	% homes completed per year with an EPC A or B rating	Changing consumer preferences	99% achieved
	Reduce absolute Scope 1 and 2 GHG emissions by 46% by 2030 (2019 baseline)	Tracking against SBT near-term transition pathway – tonnes CO <sub>2</sub> e against a 2019 baseline	Carbon pricing	On track  See GHG table on page 39
	Reduce Scope 3 carbon emissions (purchased goods and services, and use of sold products) by 22% per m <sup>2</sup> completed floor area by 2030	Tonnes CO <sub>2</sub> e/m <sup>2</sup> completed floor area against a 2019 baseline	Climate-related regulations impacting products and services	Part L Building Regulations 2021 in place  Embodied carbon study undertaken to assess most significant materials  Participate in FHH working group
Long term (2040+)	Net zero carbon emissions in our own operations (Scope 1 and 2) by 2040	% carbon offsets purchased by 2040	Business resilience	Focus on efficiency first and carbon reduction strategies  Carbon reduction mechanisms to be used as necessary to achieve net zero.

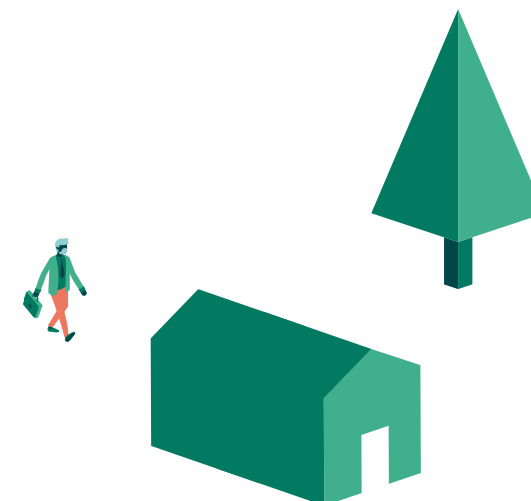
## Progress in 2024 and 2025 priorities

Progress against the actions identified for 2024 is shown below:

2024 priority	2024 progress
Climate risk health check: whilst the level of risk is overall quantified as very low to low, this is based on mitigation measures remaining in place, and the Group will ensure there is no loss of focus and rigour in its approach. An annual 'climate risk health check' will be undertaken as part of the Group's risk management strategy.	Annual climate risk health check undertaken and confirmed no material changes to current controls and measures, and the potential risks remain the same.
Development of science-based target aligned long-term net zero carbon targets.	Targets developed and awaiting SBTi approval.

### Priorities for 2025

- The Group will conduct an annual climate risk health check to ensure controls remain in place and are effective.
- The metrics and targets will be reviewed when the long-term net zero carbon SBTi targets are approved to ensure they are aligned.
- Deep dive into flood risk and resilience will be undertaken.
- Mapping of key supply chains will commence.



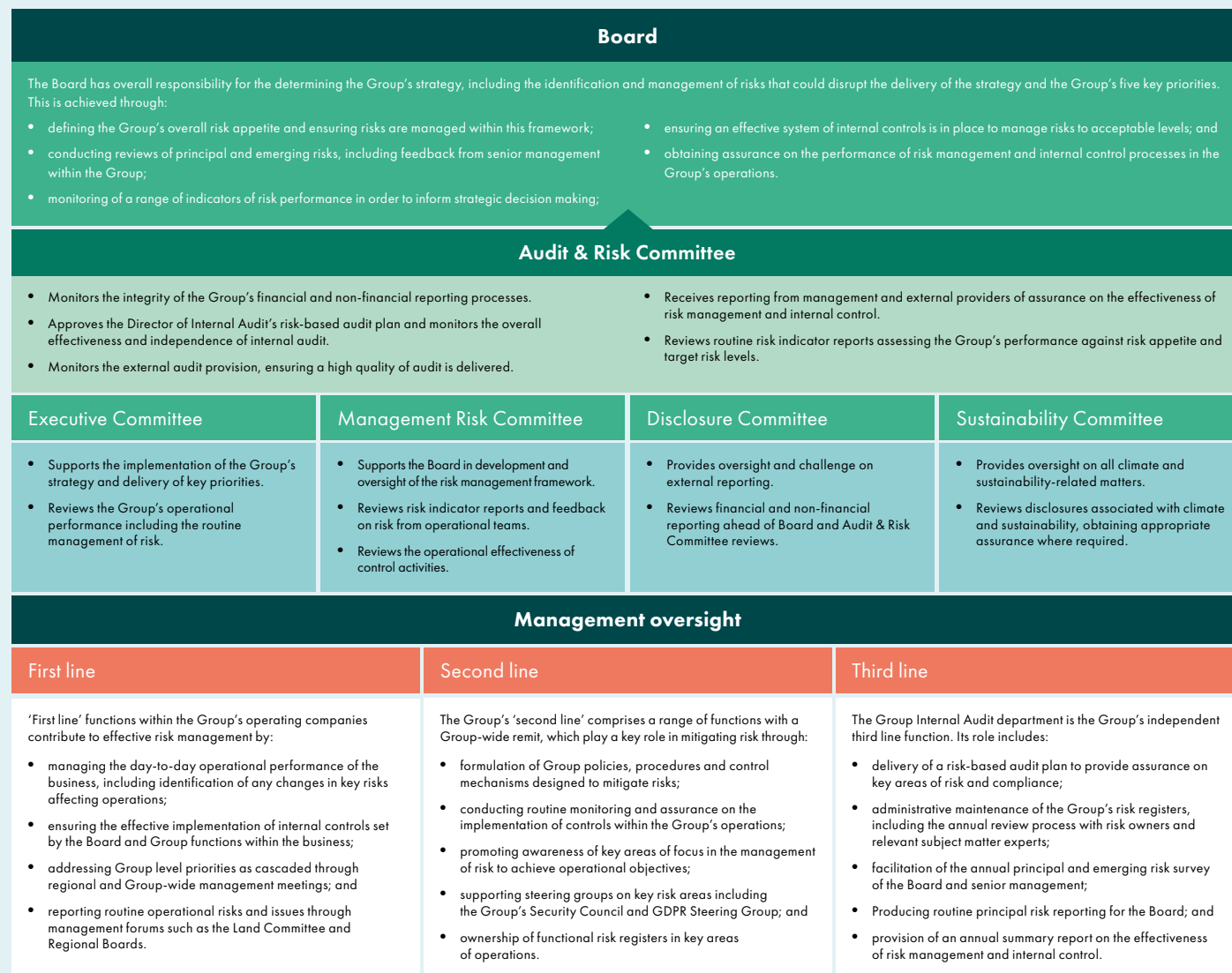
## Principal and emerging risks

# Risk management

### How we manage risk

As with all businesses, Persimmon as a Group is exposed to various risks and uncertainties in the delivery of its strategic objectives. Many of these risks are driven by external factors, with the housebuilding industry being particularly sensitive to both the economic conditions and the political, regulatory and legislative environment within the UK, for example. Other risks derive from the Group's operational activities. To manage these challenges, the Group has a well-established and robust framework in place for the management of risk. This framework is designed to ensure that risks are identified and assessed promptly, with appropriate risk mitigation strategies established and monitored through the deployment of the 'three lines' model. The effectiveness of this risk management framework is critical to the Group's ability to create and sustain value over the long-term.

### Risk management framework





## Key risk management activities within the year

The Group's risk management framework is well established, benefiting from extensive operational experience from across the 'three lines', supported by structures to ensure appropriate scrutiny and challenge on the identification, assessment and mitigation of risk. The framework has operated in this way successfully for several years. Nonetheless, it remains subject to continuous improvement to enhance its maturity and align with evolving legal and regulatory requirements, such as those within the revised UK Corporate Governance Code. In this spirit of continuous improvement, several material enhancements have been delivered within the year. These include the establishment of the Management Risk Committee (MRC) to bring together subject matter experts from across the Group to review and improve various elements of the risk management framework, including work to define our key mitigations relevant to the Group's principal risks and other key activities. With the support of the MRC, the Board has also refined its approach to establishing and classifying risk appetite within the year, developing an overall categorisation as follows:

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

Alongside this revised approach to classifying risk appetite, the mechanisms for reporting on principal risks have been strengthened, with target risk levels established and greater detail on control activities included to enable an informed assessment of assurance over each risk. Lastly, at a more granular level, the Group's fraud risk assessment was subject to a comprehensive refresh with the support of the Group Internal Audit department, the results of which were presented to the Board via the Audit & Risk Committee.

## Overall assessment of principal and emerging risks

In line with the requirements of the UK Corporate Governance Code, the Board has completed its comprehensive assessment of the Group's principal and emerging risks. From this assessment, it has been determined that 12 risk areas meet the criteria for consideration as principal risks, due to their potential to materially impact on the Group's strategy and business model, future performance, solvency, liquidity and reputation. These risks are detailed further on pages 72 to 75.

The principal risks faced by the Group remain largely consistent with prior years, reflecting the Group's continued sensitivity to external risks such as those posed by economic and market conditions, Government policy and political risk. Key changes from the Group's 2023 assessment have included the merger of the 'UK economic conditions' and 'mortgage availability' risks into a combined 'economic and market conditions' risk, while our 'climate change' risk has been broadened to consider wider sustainability issues. The 2024 assessment has also noted marginally increased ratings of our 'supply chain' and 'cyber and data' risks, while the rating of our 'HS&E' and 'legacy buildings' risks have both decreased slightly.

The overall assessment of the Group's current principal risks is that all are subject to controls or other mitigations which bring them within the tolerance range defined within the Group's risk appetite. The Group remains confident in its ability to manage these risks effectively. Nonetheless, it is recognised that should various risk scenarios materialise together, conditions could arise which might materially impact on the Group's operations and financial performance. A range of sensitivity analyses against such conditions, including the likely responses of the Board, have informed the broader assessment of the resilience of the Group's business model, which is detailed within the Viability Statement (see pages 76 to 78).

## Emerging risks

The emerging risks facing the Group have also been considered by the Board. These are defined as risks which are known but cannot be assessed in detail at present and could, under certain conditions, evolve to pose a threat to the delivery of our strategic objectives as a principal risk. Emerging risks were reviewed through the normal operation of our risk management framework, notably the annual survey of the Board and senior management, the results of which were presented for review and challenge through the Audit & Risk Committee.

The Group's 2024 assessment has determined that the previously reported 'planning uncertainty' emerging risk should be a into the 'land' principal risk as a combined 'land and planning' risk (rated as high), recognising the intrinsic link between land and planning issues. The 'market competition' emerging risk has been amended to a broader risk of 'market disruption', reflecting the potential threats to the Group's business model from disruptions such as market consolidation or technological advances in areas including modular construction or artificial intelligence. This risk will be monitored by the Board and, operationally, by the Executive Committee and Management Risk Committee. Mitigation strategies will be kept under review as the risk evolves.





## Principal and emerging risks continued

# Principal risks

### External risks

#### 1 UK economic and market conditions

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

**Risk owners** Executive Committee and Regional Chairs

##### Risk description

Housebuilding is an inherently cyclical industry, which can be particularly sensitive to macroeconomic changes and overall consumer confidence and sentiment. Adverse trends in employment levels, inflation, mortgage availability and affordability and overall consumer confidence can have a material effect on demand and pricing for new homes. This could in turn impact upon our revenues, margins, profits and cash flows and potentially result in the impairment of asset values.

Changes in the economic environment and market conditions could also drive changes in competitor strategies and actions that could pose a threat to the Group's overall strategy and business model. Such changes could include increased consolidation within the sector.

##### Key mitigations

- Highly disciplined approach to investments in land and work in progress, ensuring these are appropriate and reflective of current and anticipated levels of demand.
- Regular reviews of pricing structures to align with local market conditions. The Group benefits from a UK-wide network (with no significant presence in London), mitigating the effects of regional economic fluctuations.
- Annual Board strategic review monitors and responds to external conditions.
- Sales prices and incentive schemes to support sales are kept under constant review by management and can be flexed according to underlying market conditions.

##### Risk monitoring measures

- The Board and Executive Committee closely monitor UK economic trends, with regular market and economic briefings, from banks, brokers and others.
- Sales rates and pricing patterns within each operating company are reviewed on a weekly basis.
- Routine principal risk reporting to the Board includes analysis of economic indicators, using both internal and external sources, and lending patterns.

#### 2 Government policy and political risk

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

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

##### Risk description

The housebuilding industry is subject to an increasingly complicated legal and regulatory environment, impacted by political decisions at both national and local level. Political decision making, in areas such as planning regulations, support schemes or specific industry taxation, can have a material impact on operational performance and affect the successful delivery of our strategy. The impact of Government policy has the potential to adversely affect revenues, margins, tax charges and asset values, and potentially impact on the viability of land investments.

##### Key mitigations

- The Group's mission and our five key priorities (see pages 14 and 15) are aligned with the UK Government's objective of delivering an increased volume of new homes over the course of the current Parliament.
- The Group has expertise in managing and responding to relevant areas subject to Government involvement at both local and national level, including through our Group Land, Planning, Technical and External Affairs departments, and through engagement with industry bodies.
- A focused and methodical approach has been established to build relationships with councils and ensure alignment of development with local priorities.
- The Group also engages and participates in industry groups, including the HBF.

##### Risk monitoring measures

- Likely evolutions in Government housing policy are monitored closely by our External Affairs, Technical and Land and Planning departments, with regular feedback to the Executive Committee and Board.
- Planning refusal rates are monitored closely to ensure our approach can be adjusted where necessary.
- Routine principal risk reporting to the Board includes updates on political evolutions at national and local levels.

#### 3 Climate change and sustainability

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

**Risk owners** Group Strategy & Regulatory Director and Group Sustainability Director

##### Risk description

The transition to a lower-carbon and more sustainability focused economy is likely to involve an increasingly complex legal and regulatory environment, as seen with the Future Homes Standard and Biodiversity Net Gain requirements. This may in turn result in planning constraints, increased costs and competition for some key materials and skills. Increased physical risks are developing from climate change, with greater frequency of extreme weather events such as storms and flooding. Over time these may increase the likelihood of disruption to construction. The availability of mortgages and property insurance may also be affected as financial institutions consider their responses to the impacts of climate change.

##### Key mitigations

- The Group considers sustainability issues and the potential impacts of climate change routinely in key business decisions, from land acquisition through to planning and build processes.
- The Group has set near term carbon reduction targets approved by the Science Based Targets initiative, and targets to achieve net zero carbon homes in use to our customers by 2030, and become net zero carbon in our operations by 2040. Long-term net zero carbon targets to 2045 have been established and are awaiting approval from the Science Based Targets initiative.
- Inclusion of the cost of the latest regulatory changes (e.g. FHS) into land appraisals.
- Diversified production locations minimise risk of local extreme weather events, with build programmes designed to mitigate risks associated with adverse weather.

##### Risk monitoring measures

- The Sustainability Committee meets regularly to review progress on the Group's climate and sustainability related initiatives.
- Management reporting includes key climate and sustainability indicators such as CO<sub>2</sub> emissions, diesel usage and waste generation.

» See TCFD Report page 60

- Our scope 1, scope 2, scope 3 category 1 (purchased goods and services) and scope 3 category 11 (use of sold products) emissions are subject to external review.



## Links to key priorities

- |   |  |
|---|--|
| ① Build quality and safety                                | ④ Industry-leading financial performance |
| ② Reinforce trust: customers at the heart of our business | ⑤ Supporting sustainable communities     |
| ③ Disciplined growth: high-quality land investment        | » Read more on pages 14 and 15           |

## Health, safety and environment (HS&amp;E) risks

## 4 HS&amp;E event

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	Decrease	Averse Within tolerance	①
<b>Risk owners</b> Group HS&E Committee, Group HS&E Director, Group Construction Director, and Group Special Projects Director			

## Risk description

Failures to safeguard our sites, or instances of non-compliance with the Group's robust framework of HS&E procedures could result in serious injury or loss of life, or damage to the environment. In addition to the human impacts of any health, safety or environmental breach or incident, there is the potential for reputational damage, construction delays and financial penalties.

## Key mitigations

- Comprehensive policies and procedures to manage construction, manufacturing and office activities safely.
- Training programmes to embed the Group's policies effectively.
- Target Zero initiative to drive awareness of workplace safety and reduce the volume of safety-related incidents in our operations.
- Inspection regime led by our Group HS&E department, with additional assurance from specialist resource within our Group Internal Audit department.
- Engagement with industry forums and best practice groups.

## Risk monitoring measures

- The Group HS&E Director provides regular narrative and KPI reporting to the Board on HS&E matters.
- Data from inspections by the Group HS&E department feeds into management reports at all levels of the Group.
- The Group Internal Audit department conducts additional HS&E assurance engagements, with results and follow-up of actions reported to both executive management and the Audit & Risk Committee.

## 5 Legacy buildings

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
High	No change	Averse Within tolerance	① ②
<b>Risk owners</b> Group Construction Director and Group Special Projects Director			

## Risk description

The Group has a well-established plan for the delivery of remediation works for legacy safety and quality issues. This includes measures to ensure resident safety in advance of any scheduled works. Should the remediation works be disrupted or delayed due to the complex nature of the works, lack of availability of skilled contractors or evolutions in regulation, or should further buildings requiring remediation be identified, the Group could be exposed to increased costs and potential reputational damage.

## Key mitigations

- The Group has a dedicated Special Projects team, supported by specialist consultants, which is responsible for the identification of affected buildings, assessment of any remediation required, and ensuring that the work is contracted and completed as quickly as practicable.
- All identified buildings are independently assessed and, where necessary, interim measures are put in place to ensure resident safety until remedial works are carried out.
- Independent Quality Controllers, reporting centrally, provide assurance on the quality and status of remediation works.
- The Group's assumptions on the estimated financial costs associated with the remediation works have been subject to comprehensive challenge and are regularly reassessed.
- The Group Building Safety function has also been established. This provides an additional layer of oversight, ensuring continued alignment to good practice in building safety over the lifecycle of the homes we build.

## Risk monitoring measures

- The Board receives routine reporting on the progress of the works on legacy buildings.
- The Finance team monitors costs incurred and provides assurance on the utilisation and ongoing appropriateness of the Group's provision.

## Operational risks

## 6 Land and planning

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
High	No change	Cautious Within tolerance	③
<b>Risk owners</b> Group Planning Director, Group Director of Land Operations, Group Director of Transformation and Land Strategy, Group Strategic Land Director and Regional Chairs			

## Risk description

The Group's continued ability to secure an appropriate supply of land is crucial to ensuring timely availability of outlets and the delivery of our strategy.

Failure to maintain an adequate supply of high-quality land, due to factors such as planning constraints or inability to procure land at appropriate levels of return, could adversely affect future sales, margins and return on capital employed.

Failure to effectively understand, anticipate or adhere to planning conditions could result in delays in development of sites.

## Key mitigations

- Enhanced approach to building relationships with councils, land agents and promoters, and ensuring alignment of potential development with local priorities.
- Scrutiny of all potential land transactions through comprehensive viability assessments to ensure appropriate returns and alignment with the Group's overall strategy.
- Land Committee approval process for all land transactions.

## Risk monitoring measures

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





## Principal and emerging risks continued

### Principal risks continued

#### Operational risks continued

##### 7 Supply chain

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	Increase	Cautious Within tolerance	1 4
<b>Risk owners</b> UK MD, Group Commercial Director and Group Procurement Director			

##### Risk description

The drive for a greater volume of construction of new homes in the UK could result in increased demand for certain materials, and for skilled labour, causing availability constraints and increased cost pressures.

Supply chain disruptions could also result from a range of factors, which potentially impact on availability and pricing of key materials.

Build quality could be compromised if unsuitable materials or labour are procured leading to damage to the Group's reputation and overall customer experience.

##### Key mitigations

- Vertical integration on key materials through investment in our Brickworks, Tileworks and Space4 facilities.
- Long-term relationships with key suppliers and subcontractors, including appropriate payment terms.
- Strategic approach to procurement, led by our Group Procurement team, with supply chain engagement, robust processes for appointing suppliers and ongoing performance monitoring.
- Detailed forecasting and planning of material requirements to inform supplier negotiations.
- Group Commercial oversight and monitoring of operating company controls, including robust processes to monitor material purchases and stock holdings to minimise potential for loss or damage during construction.

##### Risk monitoring measures

- The Group Procurement department provides routine monitoring of trends and supplier performance.
- Site budgets and performance, including availability and pricing of materials, are assessed through the bi-monthly valuation process.
- Routine principal risk reporting is provided to the Board, including commentary from the Group Commercial Director on material purchasing trends and issues.

##### 8 Finance and liquidity

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Low	NEW	Cautious Within tolerance	3 4
<b>Risk owners</b> Group CFO, Group Financial Controller and Senior Group Accountant			

##### Risk description

The Group's strategy requires access to significant working capital to fund investments in land and work in progress. At times, the Group will draw on its Revolving Credit Facility (RCF) to provide this working capital.

Failure to manage cash requirements effectively could lead to unnecessarily high borrowing costs, breaches of loan covenants, or an inability to take advantage of land or other investment opportunities that could benefit the Group.

##### Key mitigations

- The Group closely monitors its cash position and forecast cash utilisation to ensure these are sufficient to support land investments, fund work in progress and meet other requirements identified through annual budgets and business planning processes.
- Investment decisions in land are subject to comprehensive appraisal under the supervision of the Land Committee. Work in progress is tightly controlled through the bi-monthly valuation process.
- The Group's RCF is considered sufficient to meet all our projected funding requirements in the short to medium term. The RCF was extended during the period and now runs to July 2029, with an option to request an extension for a further year.

##### Risk monitoring measures

- Utilisation of the RCF and optimisation of cash deposits are monitored daily by the Group Finance team.
- Covenants on the RCF are monitored and subject to periodic certification.
- The Board is provided with routine reporting on the Group's actual and forecast cash positions.

##### 9 Skilled workforce, retention and succession

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	No change	Cautious Within tolerance	1
<b>Risk owners</b> Chief HR Officer and Director of Talent & Diversity			

##### Risk description

Attracting and retaining a highly skilled workforce and management teams is crucial to the delivery of the Group's strategic priorities. The continued competition for skilled labour, and the ageing construction workforce in the UK, create risks of increased costs, operational disruption and potential delays to build programmes.

##### Key mitigations

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

##### Risk monitoring measures

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



## Links to key priorities

- |   |  |
|---|--|
| ① Build quality and safety                                | ④ Industry-leading financial performance |
| ② Reinforce trust: customers at the heart of our business | ⑤ Supporting sustainable communities     |
| ③ Disciplined growth: high-quality land investment        | » Read more on pages 14 and 15           |

## 10 Cyber and data

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
High	Increase	Averse Within tolerance	② ⑤
<b>Risk owners</b> Chief Information Officer, Chief Information Security Officer			

## Risk description

The Group's operations are increasingly reliant on the continuous availability and security of various IT systems. Failure or significant disruption to the Group's core IT systems, particularly those storing customer data, could disrupt operations, result in significant financial costs and potentially cause reputational damage.

## Key mitigations

- Oversight from the Security Council, chaired by the Chief Information Security Officer (CISO) and attended by senior leaders within the business.
- Comprehensive programme of investment via the Cyber Security Infrastructure Improvement Programme (CSIIIP).
- Robust IT security policies and disaster recovery protocols.
- Routine in-house training and communications to promote awareness of cyber security and data protection issues.
- Regular external reviews, including penetration testing, to provide assurance on the effectiveness of the Group's control framework.

## Risk monitoring measures

- Routine Board updates provided by the Group's Chief Information Officer ('CIO').
- Routine CIO reporting to the Group Executive Committee, ensuring IT and cyber risks are actively considered in all key business decision making.
- Periodic presentations by the CIO and CISO to the Audit & Risk Committee.
- Data breaches monitored and reported on via the Group's GDPR steering group.

## 11 Reputation

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	No change	Cautious Within tolerance	① ② ④ ⑤
<b>Risk owners</b> Group Director of Strategic Partnerships and External Affairs, Group Investor Relations Director, Group Construction Director, Chief Customer Experience Officer and Regional Chairs			

## Risk description

The Group aims to maintain a reputation for high standards of business conduct in all aspects of its operations. Failure to live up to our expected high standards in areas such as governance, build quality (including remediation of legacy issues), customer experiences and health and safety, or in dealing with local planning concerns could damage stakeholder relationships and have a detrimental impact on financial performance.

## Key mitigations

- Company values underpinned by Board and Executive Committee-level commitment to a culture of excellence, with particular emphasis on high quality in construction and customer care.
- Continued significant investments in build quality, through The Persimmon Way, our commitment to the objectives underpinning the New Homes Quality Code ('NHQC'), and in addressing legacy issues.
- Processes to build positive relationships with all our stakeholders, including local authorities and the communities in which we build, through addressing housing need, supporting local employment and making valuable contributions to local infrastructure and community causes.

## Risk monitoring measures

- Operational performance, including build quality and customer experience, are subject to routine management oversight, with reporting to the Executive Committee and Board.
- The Board also oversees stakeholder engagement, including monitoring feedback from shareholders, and the results of our Employee Engagement Surveys and the Employee Engagement Panel.
- Routine principal risk reports issued to each meeting of the Board include a range of internal and external indicators on reputation, such as NHBC survey data, Trustpilot scores and sentiment of media coverage.

## 12 Regulatory compliance

Risk rating	Risk trend	Risk appetite	Link to strategic priorities
Medium	No change	Averse Within tolerance	① ②
<b>Risk owners</b> Chief Customer Experience Officer, Group Construction Director, Group Director of Legal Services, Company Secretary and Group Strategy & Regulatory Director			

## Risk description

The regulatory landscape for the housebuilding industry has become increasingly complex, particularly in land acquisition, planning, building regulations and the environmental impact of development. Further regulatory evolutions through the NHQC, for example, will affect many of our processes. Failure to comply with regulations in any of these areas could result in imposition of financial penalties and potential damage to the Group's reputation.

## Key mitigations

- Comprehensive management systems to ensure regulatory and legal compliance, including policies, procedures and internal training for key areas of regulation.
- Inspection regimes supported by internal audits and external reviews on construction quality and compliance.
- Oversight from Group-level functions and cross-functional steering groups for key areas, such as GDPR compliance.

## Risk monitoring measures

- The Board and Audit & Risk Committee are provided with regular updates on core areas of regulatory compliance and preparation for upcoming regulatory change.
- Routine principal risk reports issued to each meeting of the Board include narrative updates on regulatory matters from the relevant specialists within the business.



## Viability statement

# Persimmon's prospects and viability

### Persimmon's prospects and viability

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

\* The Directors have assessed the longer-term prospects of the Group in accordance with provision 31 of the UK Corporate Governance Code 2018.

### Assessing Persimmon's long-term prospects

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

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

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

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

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

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

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

#### 1. The Group's current market positioning

- Sales network of active developments across the UK providing geographic diversification of revenue generation.
- Three distinct brands providing diversified products and pricing deliver further diversification of sales.
- Imaginative and comprehensive master planning of development schemes with high amenity value to support sustainable, inclusive neighbourhoods which generate long-term value to the community.
- Disciplined land replacement reflecting the extent and location of housing needs across the UK provides a high-quality land bank in the most sustainable locations supporting future operations.
- Long-term supplier and subcontractor relationships providing healthy and sustainable supply chains.

- Sustained investment to support higher levels of construction quality and customer service through the implementation of initiatives such as The Persimmon Way.
- Strong financial position year end net cash and a £700m working capital credit facility that has been extended to July 2029. There remains the ability to extend for a further year. In making our assessments we have assumed we will exercise this extension.

#### 2. Strategy and business model

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



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

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

» See pages 72 to 75 for the full list of principal risks together with detailed descriptions.

### Disciplined strategic planning process

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

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

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

### Assessing Persimmon's viability

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

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

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

The key principles of the Capital Allocation Policy are:

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

On 12 March 2024, in line with the Capital Allocation Policy, the Directors declared a final dividend of 40p per share in respect of the financial year ended 31 December 2023. This final dividend was approved at the 2024 Annual General Meeting and was paid to shareholders on 12 July 2024.

On 8 August 2024, the Directors announced their intention to pay 20p per share as an interim cash dividend in respect of the financial year to 31 December 2024. This interim dividend was paid to shareholders on 8 November 2024.

On 10 March, the Directors declared a final dividend of 40p per share in respect of financial year ended 31 December 2024.

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



## Viability statement continued

### Assessing Persimmon's viability continued

The Directors have also carried out a robust assessment of the principal and emerging risks facing the Group, and how the Group manages those risks, including those risks that would threaten its strategy, business model, future operational and financial performance, solvency and liquidity. This risk assessment was also informed by the performance of the Group's materiality assessment, incorporating views from the Group's key stakeholders, and through a comprehensive survey to incorporate input from the Board and senior management from across the Group. The Directors have considered the impact of these risks on the viability of the business by performing a range of sensitivity analyses when compared to base position being the actual performance for full year 2024, including severe but plausible scenarios materialising together with the likely effectiveness of mitigating actions that would be executed by the Directors.

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

The first scenario modelled is a severe but plausible downside scenario that models a fall in housing revenue, when compared to full year 2024, of c.54% for full year 2025 followed by a gradual recovery. The housing revenue modelled factors in changes in both volumes and average selling prices. The assumption used in this scenario reflects the experience management gained during the global financial crisis from 2007 to 2010, it being the worst recession seen in the housing market since World War Two.

A second, even more extreme, scenario assumes the same significant downturn in 2025 followed by a period of enduring depression of the UK economy and housing market through to 2029, assuming that neither volumes nor revenue recover, but that mitigations within management's control are exercised.

In each of these scenarios, cash flows were assumed to be managed consistently, ensuring all relevant land, work in progress and operational investments were made in the business at the appropriate time to deliver the projected new home legal completions. Each scenario fully reflects the current estimate of cash outflows, value and timing associated with the legacy buildings provision. The Directors assumed they would continue to make well-judged decisions in respect of capital allocation payments, ensuring that they maintained financial flexibility throughout and that the RCF would be extended to July 2030 as permitted by the current agreement.

Based on this assessment, the Directors confirm that they have reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to the end of 31 December 2029.

**Tracy Davison**  
Company Secretary  
10 March 2025







## UK Corporate Governance Code 2018

The UK Corporate Governance Code 2018 was applicable to the Company for the year ended 31 December 2024. During the year, the Board has fully complied with the UK Corporate Governance Code 2018.

The Board continues to review its governance procedures to maintain proper control and accountability. The UK Corporate Governance Code 2018, and the UK Corporate Governance Code 2024 (which applies to the financial year beginning 1 January 2025), are available from the Financial Reporting Council, at [www.frc.org.uk](http://www.frc.org.uk). The table opposite references where further information can be found regarding the application of the Code's Principles.



### 1. Board leadership and Company purpose

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A	Board of Directors	84 to 85
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### 2. Division of responsibilities

F	Role of the Chairman	94, 97
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I	Board policies, processes, information, time and resources	94 and 95

### 3. Composition, succession and evaluation

J	Appointments to the Board	99 to 107
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### 4. Audit, risk and internal control

M	Independence and effectiveness of internal and external auditors	108 to 115
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### 5. Remuneration

P	Alignment to purpose, values and long-term success	119 to 143
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# Governance at a glance

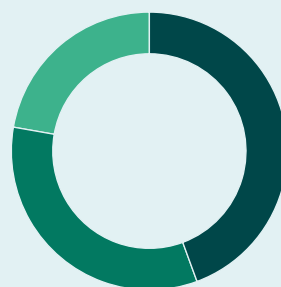


The Group's commitment to good corporate governance not only benefits our customers, employees and shareholders, but also our wider stakeholders, such as the communities in which we build and create."

Roger Devlin  
Chairman

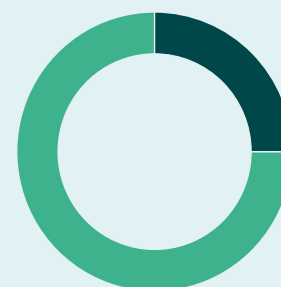
## Board tenure

At 31 December 2024



0-3 years	44.4%
3-6 years	33.3%
6-9 years	22.2%

## Board independence (excluding Chairman)



Executive Directors	25%
Independent Non-Executive Directors	75%

## Board gender diversity



Male	55.6%
Female	44.4%

## Board ethnic diversity



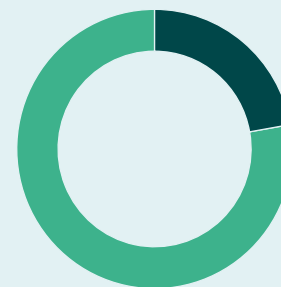
White	9/9*
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\* The Board included one person from a minority ethnic group until 30 September 2024 (when Shirine Khoury-Haq left the Board) and from 1 January 2025 (following the appointment of Anand Aithal).

At 10 March 2025



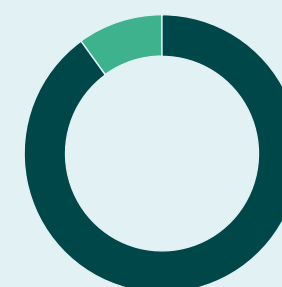
0-3 years	50%
3-6 years	30%
6-9 years	20%



Executive Directors	22.2%
Independent Non-Executive Directors	77.8%



Male	60%
Female	40%



White	9/10
Asian/Asian British	1/10



## Governance key dates 2024



### March

Announcement of Final Results for 2023



### April

Annual General Meeting



### June

Andrew Duxbury (Chief Financial Officer) joined the Board

Board site visits to Persimmon Homes Whitmore Place and Charles Church Kenilworth Gate.



### September

Meeting with Dame Judith Hackitt, former Chair of the Independent Review of Building Regulations and Fire Safety.

Paula Bell appointed as Independent Non-Executive Director



### August

Announcement of Half Year Results for 2024



### October

Board Annual Strategy Day



### December

Appointment of Anand Aithal as Independent Non-Executive Director announced.





## Chairman's introduction to governance

# Leading Persimmon for long-term sustainable success



**The Board understands the importance of good corporate governance for the Group's long-term sustainable success.**

**Roger Devlin**  
Chairman



**The Group's commitment to good corporate governance not only benefits our customers, employees and shareholders, but also our wider stakeholders, such as the communities in which we build.**

The Board understands the importance of good corporate governance for the Group's long-term sustainable success. Underpinned by our strategic framework and business model, the Board continues to define the Group's strategy required to deliver this. I am pleased to report that during the year the Group delivered a return to growth.

### The UK Corporate Governance Code

The UK Corporate Governance Code 2018 applied during the reporting year to 31 December 2024 and the Group has fully complied with this. Our compliance statement can be found on page 79.

The introduction of the UK Corporate Governance Code 2024, which came into effect from 1 January 2025 (with the exception of provision 29), has put in place some revisions to the corporate governance landscape. The Board considered the changes to the Code during the year. The Board considers that the Company will be able to comply with the UK Corporate Governance Code 2024 and in anticipation of the changes, the Group has continued its work to strengthen risk management, internal control and assurance processes. The UK Corporate Governance Code 2024 will apply to the Group's financial year ending 31 December 2025.

### Board composition

Andrew Duxbury, joined the Group on 17 June 2024, as Chief Financial Officer and we are delighted to welcome Andrew to the Group. During the year, Andrew received a full, formal and tailored induction covering all aspects of the Group and its operations. Andrew is already making a significant contribution to the business and brings a wealth of experience to the team.

We have continued to maintain focus on succession planning during the year, particularly in light of changes to the Board's composition. In March 2024, the Nomination Committee reviewed the composition of the Board, including each Director's tenure.

In April 2024 the Group announced that, due to time commitments, Shirine Khoury-Haq would step down as an Independent Non-Executive Director and as Chair of the Audit & Risk Committee to focus on her role as Group Chief Executive of The Co-operative Group. Shirine left the Board on 30 September 2024 and I reiterate our thanks to Shirine for her valuable contribution to the business.

Following a thorough recruitment process, in July 2024 the Group announced that Paula Bell would be appointed as an Independent Non-Executive Director with effect from 1 September 2024 and as Chair of the Audit & Risk Committee from 1 October 2024. It is my pleasure to welcome Paula to the Board of Persimmon.

In addition, and again, following a rigorous recruitment process, in December 2024 the Group announced that Anand Aithal would be appointed as an Independent Non-Executive Director with effect from 1 January 2025. On behalf of the Board, I would like to welcome Anand to Persimmon and look forward to working with him.

In December 2024, Nigel Mills notified the Board of his intention to step down from the Board and as Senior Independent Director, at Persimmon's Annual General Meeting on 1 May 2025, after nine years of service. We thank Nigel for his immense contribution to Persimmon. We were very pleased to announce that Annemarie Durbin will be appointed as Senior Independent Director from 1 May 2025, when Nigel retires. We believe that Annemarie's strong leadership skills, accompanied by her governance expertise and proficiency in stakeholder management, equip her to perform this role well.

» Further information on the changes to the Board's composition can be found on pages 102 to 103.



## Annual Board Performance Review

As referred to on pages 96 to 98 of the Corporate Governance Statement and in line with the UK Corporate Governance Code 2018, during the year we commissioned an external Board Performance Review. The externally facilitated Board Performance Review was conducted by Clare Chalmers Limited, a highly experienced and independent provider of board performance reviews. Clare Chalmers conducted the 2018 externally facilitated Board Performance Review and supported the delivery of the 2020 internal Board Performance Review. Clare Chalmers has no other connection with the Group or its Directors.

During the year, we have continued to review the skills, knowledge, experience and diversity of the Board. The Board carefully considered the results of the 2023 internal Board Performance Review. Following on from the actions raised in the 2023 internal Board Performance Review, during the year the Nomination Committee received a report from the Chief HR Officer regarding the development of a new Strategic and Inclusive Workforce Plan, setting out the Group's approach to future proofing the skills of its workforce, and proposed actions to increase the diversity and inclusion of the Group's Talent Pipeline.

» Further information on the Board Performance Review can be found on pages 96 to 98.

## Sustainability

Sustainability remains integral to the Group's strategy and long-term success. The three key pillars of our sustainability strategy remain aligned with the Group's five key priorities and ensure that sustainability is a core element of our operations. During the year the Board reviewed the Group's sustainability activities and received reports from the Group Sustainability Director. The Board reviewed progress on key commitments. Regular updates on the Group's sustainability strategy are provided at Board meetings.

During the year, the Board reviewed the Group's long-term target of net zero carbon in our homes in use by 2030 and net zero carbon in our operations by 2040. Further improvements to our build quality and customer service have been evident during the year, and it is pleasing to see the strong progress which has been made on our building safety remediation programme. Sustainability remains at the heart of what we do and long-term net zero carbon transition plans, in anticipation of the Future Homes Standard implementation, remained high on the Board agenda and we continued to take an active role in understanding its impact and ensuring business

readiness to be a better and more sustainable business. This included the carbon reduction glide path for Scope 1 and 2 emissions aligned to the Group's science-based reduction commitments. I am pleased to confirm that the business remains committed to its net zero and science-based reduction targets.

» Further information on the Group's work in relation to sustainability can be found on pages 28 to 50.

## Remuneration

During the year the Remuneration Committee reviewed workforce remuneration and related policies and was pleased to see a number of enhancements being implemented for the broader workforce, including an increase to the holiday entitlement for our weekly-paid colleagues to ensure that we remain a competitive and attractive employer. As part of our accreditation as a Real Living Wage employer, we implemented the Real Living Wage increase in February 2024 ahead of the required May 2024 timeline.

The Remuneration Committee agreed that the Group Chief Executive and the Group's most senior executives should be awarded a base salary increase of 3% from July 2024. This was in line with the increase awarded to employees generally.

The Group's metrics for the 2024 Performance Share Plan awards ('PSP') were reviewed and agreed by the Remuneration Committee. They continued to include an environmental target for the 2024 PSP award based on the Group's science-based targets for Scope 1 and Scope 2 emissions reduction and will follow the same approach for its 2025 PSP awards. This supports the achievement of our long-term sustainability target and reflects the importance of sustainability to Persimmon.

» Further information on the work of the Remuneration Committee can be found on pages 118 to 142.

## Equality, diversity and inclusion

The Nomination Committee has continued its oversight of the implementation of the Group's Equality, Diversity and Inclusion Strategy. The Committee has reviewed the steps being taken to enhance the Group's approach in this area, with updates provided at the Nomination Committee's meetings during the year.

Following consideration of the Parker Review Survey recommendations, during the year the Nomination Committee agreed a stretching ethnic diversity target for the Group's senior management team\* to be achieved by 2027. When setting this stretching target, consideration was given to the national nature of the Group's operations and the ethnic diversity of the Group's local offices. The stretching target reflects the Group's commitment to lead the drive for inclusivity. The Nomination Committee will monitor progress made toward the target.

During the year, an Ethnic Minority Employee Discussion Group was also established with the aim of better understanding the experience of current employees from ethnic minority backgrounds, making the Group's workplace and culture as inclusive as possible and encouraging more applications from under-represented groups.

» Further information on the Group's work in relation to equality, diversity and inclusion can be found on pages 25, 49, 102 and 104 to 105.

## Assurance

During the year, the Audit & Risk Committee's main areas of focus remained largely unchanged, with a continued emphasis on ensuring integrity and quality of financial reporting, particularly in areas requiring estimate or accounting judgement. The Audit & Risk Committee also focused on maintaining an effective and high quality external audit, the ongoing effectiveness and independence of the Group Internal Audit department and, in anticipation of the requirements of the UK Corporate Governance Code 2024, oversight of the Group's comprehensive work to enhance its systems of risk management and internal control.

» Further information on the work of the Audit & Risk Committee can be found on pages 107 to 114.

**Roger Devlin**  
Chairman

10 March 2025

\* Executive Committee and Direct Reports.





## Board leadership

# Board of Directors

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



**Roger Devlin**  
Chairman

**Date of appointment:** 1 June 2018

**Committee membership:** N CF

**Age:** 67

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

Roger is a highly experienced Board Director, having previously served as Chairman of William Hill PLC, Chairman of Marston's PLC and as Senior Independent Director at the Football Association.

In May 2022 Roger was appointed to the Board of The Sutton Trust, a charity designed to improve social mobility and address educational disadvantage.

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

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



**Dean Finch**  
Group Chief Executive

**Date of appointment:** 28 September 2020

**Committee membership:** S CF

**Age:** 58

**Experience and external appointments:** Dean is a widely experienced senior executive with a strong commercial, financial and operational track record spanning a 30 year career in Europe and North America.

Dean was the Chief Executive Officer of National Express Group plc from 2010 to 2020, and during his tenure built the business into Britain's leading transport group. Prior to that Dean was Group Chief Executive of Tube Lines and Group Finance Director and Group Chief Operating Officer at FirstGroup plc, where he also held a number of other senior roles.

In May 2021 Dean was appointed as a Non-Executive Director of Diploma Plc.

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

Dean is also a qualified chartered accountant.



**Andrew Duxbury**  
Chief Financial Officer

**Date of appointment:** 17 June 2024

**Committee membership:** N/A

**Age:** 50

**Experience and external appointments:** Andrew brings significant and relevant industry experience to the Board, having served as Group Finance Director at Galliford Try Holdings plc, one of the UK's leading stock exchange listed construction companies between March 2019 and June 2024. During his career at Galliford Try, Andrew held various finance roles for over ten years, including roles in Galliford Try's former housebuilding operation, Linden Homes. Prior to that, Andrew spent 16 years at PwC, leading a portfolio of significant clients across a range of sectors including construction and housebuilding.

**Skills and contribution:** Andrew brings an extensive financial background, with a wealth of experience operating in the construction and housebuilding industries. Andrew is a valuable asset to the Group as we continue to provide good quality homes for families across the UK and position the business for future growth.

Andrew is a Fellow of the Institute of Chartered Accountants.



**Nigel Mills**  
Senior Independent Director

**Date of appointment:** 4 April 2016

**Committee membership:** N R

**Age:** 69

**Experience and external appointments:** Nigel is the Senior Independent Director at both John Wood Group Plc and Greggs plc.

Nigel has extensive experience in advising some of the UK's largest companies, having held a variety of executive positions in the banking sector including Senior Advisor at Citigroup Global Markets, Chairman of Corporate Broking at Citi and Chief Executive of Hoare Govett.

**Skills and contribution:** Nigel has strong commercial judgement, drawing on a 30-year executive career advising quoted companies. Nigel has broad experience of financial markets, strategy, risk, shareholder attitudes and corporate governance, which enable him to provide sound advice to the Board.



**Annemarie Durbin**  
Independent Non-Executive Director

**Date of appointment:** 1 July 2020

**Committee membership:** N R

**Age:** 61

**Experience and external appointments:** Annemarie has over 35 years' broad-based retail, commercial, corporate and institutional banking experience across the UK, Asia, Africa and the Middle East and is an experienced executive coach and mentor. Annemarie is the Chair of Yorkshire Building Society and Remuneration Committee Chair of Petershill Partners plc. Annemarie spent the bulk of her executive career at Standard Chartered, a FTSE 100 international bank, where she held a variety of global business and functional roles including being CEO of a FTSE 250 equivalent listed company in Thailand, culminating in membership of the Group Executive Committee.

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

**Skills and contribution:** Annemarie is a highly experienced international business executive, with a strong background in banking, diversity & inclusion, transformation, corporate governance and human resources. Annemarie is a qualified lawyer, coach and conflict mediator. Annemarie's experience and knowledge are valuable additions to the Board as the Group continues to implement its programme of business improvement.



## Committee key

- AR Audit & Risk Committee
- N Nomination Committee
- R Remuneration Committee
- S Sustainability Committee

- CF Trustee of the Persimmon Charitable Foundation
- W Workforce Non-Executive Director
- Committee Chair



**Andrew Wyllie CBE**  
Independent Non-Executive Director

**Date of appointment:** 4 January 2021

**Committee membership:** AR N

**Age:** 62

**Experience and external appointments:**

Andrew is an experienced construction sector executive and was Chief Executive of Costain Group PLC for 14 years, until his retirement in 2019. Previously, Andrew was Managing Director of Taylor Woodrow Construction and a member of the Group Executive Committee at Taylor Woodrow Plc. During his career, Andrew has worked on a variety of major contracts and projects in Saudi Arabia, Ghana, the Falklands, Malaysia and the UK.

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

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

Andrew has an MBA from London Business School and is a Fellow of the Royal Academy of Engineering. For his services to engineering and construction, Andrew was awarded a CBE.



**Alexandra Depledge MBE**  
Independent Non-Executive Director

**Date of appointment:** 1 May 2023

**Committee membership:** N R

**Age:** 44

**Experience and external appointments:**

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

Alex previously sat on the board of the London Economic Action Partnership, the local enterprise partnership chaired by the Mayor of London, which is responsible for over £100m of investment into London's culture and communities.

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

In recognition of Alex's achievements and entrepreneurial success, she has won various awards and was made an MBE for her services to the sharing economy.



**Colette O'Shea**  
Independent Non-Executive Director

**Date of appointment:** 1 May 2023

**Committee membership:** AR N W

**Age:** 56

**Experience and external appointments:**

Colette has a wealth of property market investment and development expertise gained in her 20-year career with one of the UK's leading real estate businesses, Land Securities Group PLC ('LandSec'). Colette spent the majority of her executive career with LandSec, having held the position of Chief Operating Officer between 2020 and 31 March 2023. Prior to this, Colette held a number of senior executive positions at LandSec, including Managing Director, London & Retail; and Head of Development. Colette has also previously served as a Non-Executive Director of a leading housing association.

On 9 April 2024, Colette was appointed interim Chief Operating Officer of Wellcome Genome Campus, part of Wellcome Trust.

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



**Paula Bell**  
Independent Non-Executive Director

**Date of appointment:** 1 September 2024

**Committee membership:** AR N

**Age:** 58

**Experience and external appointments:**

Paula has extensive FTSE 100 & 250 board experience, serving both as an Executive and Non-Executive Director of large global organisations. Since 2016, Paula has held the position of Chief Financial & Operations Officer of Spirent Communications Plc\*. Paula has also been a Non-Executive Director and Chair of the Audit and Risk Committee at Keller Group Plc since 2018 and was previously a Non-Executive Director and Chair of the Audit Committee at Laird Plc from 2013 to 2018.

Prior to Spirent Communications Plc, Paula was Chief Financial Officer at John Menzies Plc and Chief Financial Officer at Ricardo Plc, as well as holding senior finance roles at BAA Plc, AWG Plc and Rolls Royce Group Plc. Paula has wide sector experience including construction, property and manufacturing environments.

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

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



**Anand Aithal**  
Independent Non-Executive Director

**Date of appointment:** 1 January 2025

**Committee membership:** N R

**Age:** 57

**Experience and external appointments:**

Anand has extensive board experience, currently holding Non-Executive Director roles at Saga Plc, Polar Capital Holdings Plc and Nationwide Building Society. He also serves on not-for-profit boards at the Association of Chartered Certified Accountants and the Institute for Government. Previously, Anand was the lead Non-Executive for the Cabinet Office. Anand has over thirty years of experience in financial, business and professional services and co-founded Amba Research, an outsourced data analytics and research business.

**Skills and contribution:** Anand brings a wealth of experience across many sectors as a senior executive, entrepreneur and Non-Executive. Anand has gained demonstrable expertise in financial, business and professional services. His career has taken him internationally, having worked in Singapore, Hong Kong, India, the United States, Sri Lanka, and Costa Rica, providing him with a broad business perspective. This global exposure, combined with his multifaceted experience, makes Anand an important addition to the Board.

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

\* Paula Bell intends to retire from her executive role at Spirent Communications Plc on completion of Spirent's takeover by Keysight Technologies Inc, which is expected to complete by the end of April 2025.



## Corporate governance statement

# Board activities

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

The standing items for Board meetings are displayed on this page, and examples of the Board's work during the year can be found on pages 87 to 88.

To further enhance Board effectiveness, Board meetings are often preceded by Board dinners. This helps to foster good, constructive and professional relations between Board members and the Group's senior executives, and allows the Board to receive additional presentations and engage in discussion on matters concerning the implementation of the Group's strategy.

### Board meeting attendance 2024

	Scheduled meetings attended	Percentage of meetings attended
Roger Devlin	7/7	100%
Dean Finch	7/7	100%
Andrew Duxbury <sup>1</sup>	3/3	100%
Nigel Mills	7/7	100%
Annemarie Durbin	7/7	100%
Andrew Wyllie	7/7	100%
Alexandra Depledge	7/7	100%
Colette O'Shea	7/7	100%
Paula Bell <sup>2</sup>	2/2	100%
Shirine Khoury-Haq <sup>3</sup>	5/5	100%

1. Appointed on 17 June 2024

2. Appointed on 1 September 2024

3. Resigned on 30 September 2024



### Standing items at all scheduled Board meetings:

Each Board meeting includes a number of standing items:

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

### Periodic standing items:

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

- Annual items:
  - Budget
  - Annual Strategy Day
  - Annual General Meeting
  - Internal Controls review
  - Whistleblowing Provision review
  - Annual Board Performance Review
- Bi-annual items:
  - Building and Fire Safety update
  - Sustainability update - to be twice yearly from 2025

» Further details regarding these periodic standing items can be found in the table on pages 87 to 88.



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

	Area of focus	Outcome	Link to our strategic framework
Strategy	<b>Annual Strategy Day</b> – Members of the Executive team delivered a comprehensive suite of presentations to the Board regarding the Group's strategy. Topics covered included: brand development, customer experience, building & fire safety, land & planning, innovation, IT transformation, People (talent, succession and diversity), culture, the Group's external environment, and five-year financial projections. The high-quality presentations facilitated Board debate, questions and oversight.	The Group's strategy was reviewed and approved by the Board.	1 2 3 4 5
	<b>TopHat</b> – a number of updates were received regarding the Group's investment in the modular home manufacturer, TopHat. Topics discussed included TopHat's challenging financial position and the potential integration of TopHat's industry-leading facade product with the timber frames produced by the Group's Space4 manufacturing business.	The Board agreed to write down the Group's original investment in TopHat. Constructive dialogue continued with relevant stakeholders, resulting in the Group securing access to the Maur facade product.	1 4
	<b>Mergers &amp; Acquisitions (M&amp;A)</b> – reports received regarding M&A activity in the housebuilding sector.	Considered and discussed by the Board	4
Operations	<b>Fire Safety</b> – updates were received throughout the year regarding the Group's continued fire safety remediation activities.	The Board reaffirmed its approval of the Group's fire safety remediation activities, and the importance of completing the remediation works as soon as reasonably practicable.	1
	<b>UK Managing Director, Deputy UK Managing Director and Regional Chair presentations</b> – a number of presentations were received during the year as part of the Business Update at each scheduled meeting, providing detailed insight into regional operations and matters including market conditions, build quality, customer care, the planning system, the land market, talent and diversity, and the embedding of the Board's desired culture.	Presentations were considered and discussed, enabling the Board to exercise oversight of the Group's operations, performance and culture.	1 2 3 4 5
	<b>FibreNest</b> – presentation received from the FibreNest Managing Director regarding the performance and future development of the Group's ultra-fast full fibre broadband provider.	Considered and discussed by the Board.	2 4
	<b>Planning</b> – presentation received from the Group Planning Director regarding the National Planning Policy Framework (NPPF).	Considered and discussed by the Board.	3 4 5
	<b>Sustainability</b> – presentation received from the Group Sustainability Director regarding the implementation of the Group's sustainability strategy. Topics covered included: Implementation of the Future Homes Standard, waste reduction & management, carbon reduction activity, Biodiversity Net Gain, nutrient neutrality and the development of the Group's long term carbon transition plan.	Considered and discussed by the Board.	5 B T S
Finance	<b>Budget</b> – financial budget, setting out expected performance and resource allocation for 2024.	Reviewed and approved by the Board.	4
	<b>Results</b> – Final Results for 2023, Annual Report 2023, Half Year Results for 2024 and Trading Updates.	Considered and approved by the Board.	1 2 3 4 5
	<b>Capital Allocation Policy</b> – consideration of whether to pay a final dividend for 2023 and an interim dividend for 2024.	Final dividend of 40p per share for 2023: recommended to shareholders by the Board.  Interim dividend of 20p per share for 2024: approved by the Board.	4

## Corporate governance statement continued

### Board activities continued

	Area of focus	Outcome	Link to our strategic framework
<b>Governance</b>	<b>Competition and Markets Authority (CMA)</b> – updates were received regarding the CMA’s market study & subsequent investigation into eight housebuilders, including the Group.	The Board reaffirmed the Group’s continued cooperation with the CMA.	✓
	<b>Fire Safety Update Meeting with Dame Judith Hackitt</b> – meeting with the former Chair of the Independent Review of Building Regulations and Fire Safety. The meeting discussed a number of matters including the need for change (both systemic and regarding culture) within the construction industry, and enhanced regulation. An update was also provided on the Group’s fire safety remediation activities and safety culture.	Dame Judith Hackitt commended the Group for the leadership it has shown, and the actions it has taken, in relation to fire safety.	1
	<b>Annual General Meeting 2024</b> – Notice of Meeting	Approved by the Board.	✓
	<b>Internal Controls</b> – Annual Review of the Effectiveness of Internal Controls.	Following consideration, the Board agreed that the risk management and internal control systems remained effective.	✓
	<b>Corporate Governance Code</b> – update received regarding the UK Corporate Governance Code 2024.	Considered by the Board and actions to be taken by the Group to remain compliant with the Code were noted.	✓
	<b>Employee Engagement</b> – updates received from Colette O’Shea, Workforce Non-Executive Director; and Annemarie Durbin, Chair of the Remuneration Committee; following their attendance at Employee Engagement Panel meetings.	Considered and discussed by the Board.	P
	<b>Board composition</b> – consideration of the recommendations from the Nomination Committee to appoint Paula Bell and Anand Aithal as Independent Non-Executive Directors; and to appoint Annemarie Durbin as the next Senior Independent Director, on Nigel Mills’ retirement from the Board.	All nominations approved by the Board.	✓
	<b>Annual Performance Review</b> – presentation received regarding the findings of the Board’s externally facilitated annual performance review.	Considered and discussed by the Board. Actions for Board performance enhancement agreed.	✓
	<b>Whistleblowing Provision</b> – reviewed and approved by Board.	Following consideration, the Board agreed that the Group’s whistleblowing provision remained effective.	✓ P

#### Our Key Priorities are:

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

» Read more on pages 14 to 15

#### Our Sustainability Pillars are:

- B Building for tomorrow
- T Transforming communities
- S Safe and inclusive

» Read more on pages 28 to 50

- ✓ Good Governance
- P People





# Culture

The Group's Mission is to build homes with quality our customers can rely on, at a price they can afford. This is supplemented by the Group's Vision and Values, both of which are set out on page 1.

A key responsibility of the Board is to ensure that the Group's culture is aligned with the Group's Mission, Vision and Values. To effectively discharge this responsibility, the Board uses a variety of methods and metrics to monitor and assess the Group's culture.

The standing items at Board meetings, site visits and the Board's engagement with employees and wider stakeholders enables the Board to effectively monitor the Group's culture.



**Customer focused**  
**Value driven**  
**Team work**  
**Social impact**  
**Excellence always**

## Employees

### 34.6%

Female employees in our senior management team

### 81%

Employee engagement score (2024 YourSay employee engagement survey)

### 90%

Of employees are committed to the Group and what it is trying to achieve

Active employee networks for women and LGBTQ+ colleagues, plus a discussion group for ethnic minority colleagues.

### c.270

Mental Health First Aiders

### 587

Apprentices and trainees on programmes

### c.400

Hiring managers received recruitment training during 2024 as part of the Group's D&I strategy



## Customers and Quality

### 96.0%

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

### 93.5%

Build quality score  
Based on customer satisfaction with build quality\*

### 7%

Improvement in NHBC Reportable Items during 2024

### 19

Pride in the Job Awards for sites in 2024

### 4.5

Persimmon Homes Trustpilot score



## Health, Safety and Environment

### Net Zero

We aim to be net zero carbon for our homes in use by 2030, and in our operations by 2040

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

### 98%

Operational waste recycled

### 2.2

Number of work related incidents (RIDDORs)\*

\* Reportable incidents per 1,000 workers in our housebuilding operations.



## Community

### c.£905k

Donated to 355 charities and local community groups across the UK

### c.79,000

Construction and supply chain jobs supported



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



## Corporate governance statement continued

### Culture continued

#### Employee Engagement Panel

The Panel, which comprises 16 employees, provides a broad representative body of the Group's employees, and provides an important forum for employees to express their views and provide feedback on the Group, its performance, policies, procedures and culture.

The Panel is chaired by the Chief HR Officer and holds four meetings per year. Colette O'Shea, the Workforce Non-Executive Director, attends at least two meetings per year, other Board members frequently attend. The Panel's open and honest feedback is highly valued by the Board, providing an excellent opportunity for the Board to monitor the practical application of the Group's values, and therefore, the Group's culture.

Board attendees at Panel meetings during 2024:

- Roger Devlin, Chairman;
- Andrew Duxbury, Chief Financial Officer;
- Colette O'Shea, Workforce Non-Executive Director; and
- Annemarie Durbin, Chair of the Remuneration Committee.

» Further details regarding matters discussed at Panel meetings, and resulting actions during the year, can be found on page 92.

#### Employee Engagement Survey

The results of the Employee Engagement Survey are presented to the Board annually. The Survey conducted during the year showed that the Group's employees are engaged and committed to the Group's Mission, Vision and Values; strategy and focus on customer care. For further details regarding the survey results, see page 26.



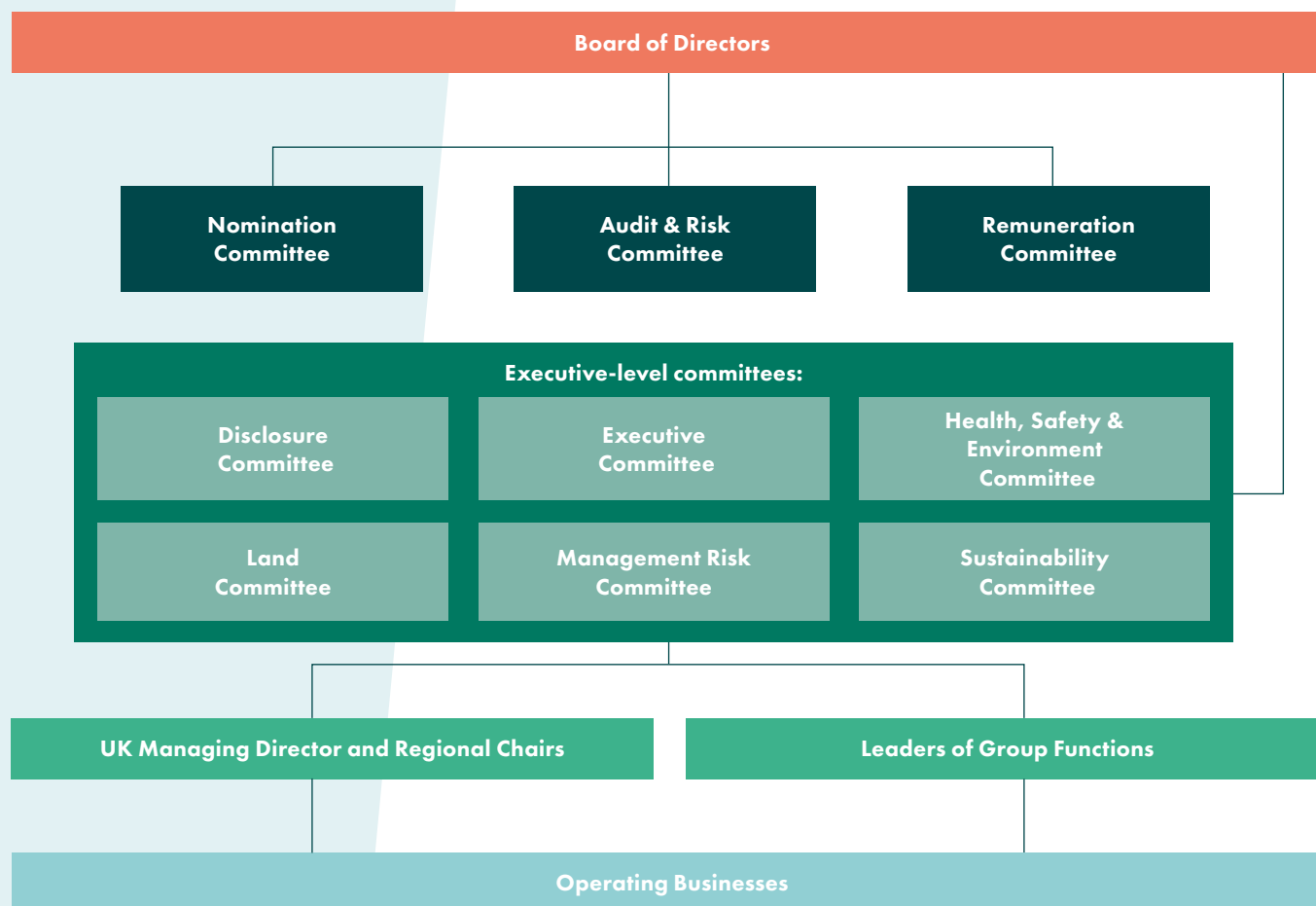


# Governance structure

The Board leads and directs the Group. It sets the Group's purpose, defines the Group's values, sets the strategy, and monitors and assesses the Group's culture, with the aim of securing the long-term sustainable success of the business and generating value for all of our all stakeholders.

In addition to the Board and its committees, the Group's executive-level committees play a key role in the governance of the Group:

- **Disclosure Committee** – chaired by the Chief Financial Officer, the committee reviews compliance with regulations concerning the release of information to the financial markets. The Committee considers, in conjunction with the Group's advisors, the Group's market announcements before they are presented to the Board.
- **Executive Committee** – chaired by the Group Chief Executive, the committee is a key forum where the Group's operations, performance and strategy implementation are reported, considered and assessed.
- **Health, Safety & Environment Committee** – the committee is responsible for reviewing the Group's ongoing health, safety & environmental performance; and the development, implementation and monitoring of the Group's health, safety and environment strategy. Chaired by the Group Chief Executive, committee members include the Health, Safety & Environment Director, Regional Chairs and the Group Construction Director.
- **Land Committee** – the committee is responsible for assessing and approving all land acquisitions and disposals, within defined authority limits. Chaired by the Group Chief Executive, committee members include the Chief Financial Officer, the UK Managing Director, the Group Strategy & Regulatory Director, Regional Chairs and the Group Director of Land Operations.
- **Management Risk Committee** – established in 2024, the committee supports the Board in the development and oversight of the Group's risk management framework, reviews risk indicators and reviews the operational effectiveness of control activities. Chaired by the Chief Financial Officer, committee members include the Director of Internal Audit, the Chief Information Officer and the Group Sales Director.
- **Sustainability Committee** – chaired by the Group Chief Executive, the committee is responsible for developing and overseeing the implementation of the Group's sustainability strategy, policies and objectives. For further information, see page 92.





Corporate governance statement continued

Governance structure continued

Stakeholder engagement

To successfully implement and deliver the Group’s five key priorities, the Group engages extensively with its stakeholders. In doing so, the Group is able to strengthen existing business relationships and nurture new ones to deliver value for all stakeholders and ensure business sustainability.

The Board receives regular updates on stakeholder engagement including from the Group Chief Executive, CFO, the Group Director of Strategic Partnerships & External Affairs, the Investor Relations Director, the Chief Customer Experience Officer, the Group Construction Director and the Group Health, Safety & Environment Director. The Group’s engagement with its stakeholders, and the outcomes and effects this has on the Board’s decisions, is described in detail in the Section 172 Statement on pages 52 to 59.



The Sustainability Committee

The Sustainability Committee is responsible for developing and overseeing the implementation of the Group’s sustainability strategy, policies and objectives. Reporting directly to the Board, the Sustainability Committee is chaired by the Group Chief Executive and members include the Group Strategy and Regulatory Director, the Company Secretary, the Group Sustainability Director, the Chief Customer Experience Officer, the Group Construction Director and a Regional Chair. The Board receives updates on sustainability issues and performance at each of its meetings via the Group Chief Executive’s Report and Business Update, and presentations from the Group Sustainability Director.

The Sustainability Committee held three meetings during the year; topics covered included business readiness planning for the Future Homes Standard (FHS) (including updates received from the Group’s FHS Implementation Steering Group), operational carbon reduction initiatives, climate risk and TCFD reporting, long-term net zero carbon transition plan development, ecology and Biodiversity Net Gain updates, consideration of a potential environmental metric for PSP awards, the Group’s framework for the prevention of modern slavery and the Group’s modern slavery statement, and policy reviews and updates.

The Sustainability Committee also supports the Board’s oversight of climate change matters, and oversees the implementation of the Group’s climate change strategy. The Sustainability Committee ensures climate issues are being effectively considered and managed, and reports its findings and recommendations to the Board. Further information can be found in the Climate-Related Financial Disclosures (‘TCFD’) on pages 60 to 69.

Workforce engagement

Workforce engagement is of great importance to the Board. This engagement is facilitated by a variety of means, including the appointment of Colette O’Shea as the Workforce Independent Non-Executive Director and the Group’s Employee Engagement Panel. As explained on page 90, the Panel holds four meetings per year, which Board members frequently attend. Examples of matters raised by the Panel during the year include:

Salary Sacrifice	
Issue	Panel members suggested that employees would appreciate the ability to participate in Salary Sacrifice arrangements for pension contributions and other company benefits.
Initial actions	As part of the Group’s Payroll Transformation, a Salary Sacrifice Project was initiated, involving internal and external stakeholders.
Update	Pension Salary Sacrifice was successfully implemented for monthly paid employees during the year. The implementation of additional Salary Sacrifice arrangements for weekly and monthly paid employees remains under review.

Holiday Purchase Scheme	
Issue	Panel members suggested that, to enhance work/life balance, employees would appreciate the ability to purchase additional annual leave.
Initial actions	The introduction of a Holiday Purchase Scheme was included as an objective of the Group’s Payroll Transformation.
Update	Work was undertaken during the year to develop the processes and procedures required to implement the scheme. Following successful testing, the scheme was implemented in January 2025.



## 2025 Annual General Meeting

The Annual General Meeting (AGM) is an important opportunity for the Board to engage with shareholders.

The 2025 AGM will be held at 11.00am on 1 May 2025, at York Racecourse, Knavesmire Road, York, YO23 1EX. Shareholders are encouraged to attend. Voting will be on a poll whereby every member shall have one vote for every ordinary share held. The Notice of Meeting and AGM circular, which includes an explanation of the ordinary and special resolutions to be voted on, will be sent to shareholders on 24 March 2025 and will be available on the Company's website at [www.persimmonhomes.com/corporate/investors/shareholder-centre/annual-general-meetings/](http://www.persimmonhomes.com/corporate/investors/shareholder-centre/annual-general-meetings/).

## Workforce policies and practices

### Whistleblowing Policy

The Board is responsible for ensuring that an effective Whistleblowing Policy is in place and that individuals both inside and outside the Group can confidentially raise any concerns they may have. The whistleblowing provision, which encompasses the Whistleblowing Policy and associated processes, includes assurances to those reporting potential wrongdoing, that reporting a genuinely held concern will not lead to individuals suffering any form of detriment. This encourages and reassures individuals that it is safe to speak up, and therefore helps to promote a culture of openness and trust.

The Whistleblowing Policy is reviewed by the Audit & Risk Committee and the Board at least annually. The operation of the whistleblowing provision is managed by the Group Internal Audit department, which reviews and, where necessary, investigates all whistleblowing reports received. The Group Internal Audit department works with the Chief HR Officer and other senior managers as appropriate to ensure that investigations are rigorous and conducted with the necessary sensitivity. Learnings from investigations are then taken and acted upon as required.

Details of all whistleblowing reports are reviewed by the Audit & Risk Committee. The Chair of the Audit & Risk Committee is the Group's Whistleblowing Champion, acting as an independent sponsor for the whistleblowing provision. The Group's continued partnership with Protect, the whistleblowing charity, has provided access to benchmarking and good practice guidelines.

The Board remains satisfied that the Whistleblowing Policy and the supporting processes and arrangements of the whistleblowing provision remain appropriate and effective. Further information on the whistleblowing provision can be found on pages 113 and 114.

### Remuneration Policy

The Remuneration Policy is voted on by shareholders at least triennially; the current policy was last approved by shareholders at the AGM on 26 April 2023, with 98.7% of votes being cast in favour. When setting the Remuneration Policy, the Remuneration Committee aims to: ensure appropriate alignment with the Group's strategy, values and key priorities; align the interests of the Executive Directors, senior management and employees with those of shareholders and wider stakeholders; and ensure that remuneration and incentives adhere to the principles of good corporate governance, support good risk management practice and promote long-term sustainable Company performance; and to have a competitive mix of fixed remuneration and short-term and long-term incentives, with stretching targets linked to the Company's financial and non-financial performance.

Prior to the shareholder vote at the 2023 AGM, the Chair of the Remuneration Committee consulted with the Company's major shareholders (representing 51.7% of the then share register) regarding the then proposed policy. Further information regarding the Remuneration Policy can be found in the Remuneration Report on pages 138 to 142.

### Anti-Bribery and Corruption Policy

The Group has a well-established Anti-Bribery and Corruption Policy, which forms an extension to our Code of Ethics, setting out our zero-tolerance approach to any form of bribery and corruption. Through this policy, the Board aims to reinforce a culture where bribery and corruption are never seen as acceptable behaviours. This applies to all Group employees, businesses and operations, and extends to our relationships with all of our suppliers, sub-contractors and intermediaries, supporting our reputation for ethical conduct, and fostering long-term, mutually beneficial relationships with our supply chain.

The Group maintains a comprehensive suite of anti-bribery and corruption controls and oversight arrangements. These include robust and transparent tendering processes to ensure appropriate decision making when appointing new suppliers and sub-contractors. Our Policy is made available to all stakeholders via our corporate website, with monitoring processes also in place to promote awareness of potential bribery and corruption issues, including training and awareness programmes which are regularly reviewed and updated by the Group Head of Training. The Group's independent whistleblowing provision supports the Policy to enable prevention, detection and reporting of bribery and corruption. The Group Internal Audit department, which reports to the Board via the Audit & Risk Committee, provides independent assurance on the effective operation of these controls and activities.

### Equality, Diversity and Inclusion Policy

A description of the Group's Equality, Diversity and Inclusion Policy, its objectives, implementation and results achieved during the year can be found on pages 25 and 104.



## Corporate governance statement continued

### Governance structure continued

#### Division of responsibilities

There is a clear, written division of responsibilities between the Chairman and the Group Chief Executive, which is approved by the Board. The responsibilities of the Senior Independent Director are set out in a letter of appointment. Terms of reference for the Board's Committees are reviewed annually. They are available on the Company's website [www.persimmonhomes.com/corporate/investors/corporate-governance/board-committees/](http://www.persimmonhomes.com/corporate/investors/corporate-governance/board-committees/) or from the Company Secretary at the Company's registered office. More than half of Board members (excluding the Chairman) are Independent Non-Executive Directors and no one individual or group of individuals has the ability to dominate the Board's decision making.

Role	Responsibilities
<b>Chairman</b> Roger Devlin	<ul style="list-style-type: none"> <li>Leading the Board and responsible for its overall effectiveness in directing the Company.</li> <li>Upholding high standards of integrity and probity and supporting the Directors in instilling the appropriate culture, values and behaviours in the boardroom and throughout the Group's operations.</li> <li>Setting the agenda for Board meetings and setting the style and tone of all discussions to promote effective decision-making, constructive debate and participation by all Directors.</li> <li>Promoting an effective Board and having a prime role, via the Nomination Committee, in succession planning.</li> <li>Promoting effective professional relationships and open communication, both inside and outside the boardroom, between the Non-Executive Directors and the Executive team.</li> <li>Promoting high standards of corporate governance.</li> <li>Constructively challenging the Executive Directors and assisting in the development of strategy proposals.</li> <li>Scrutinising the performance of management in meeting agreed goals and objectives, and monitoring the reporting of performance.</li> <li>Ensuring that all Directors receive high-quality information sufficiently in advance of Board meetings.</li> <li>Leading the annual board performance review.</li> </ul> <p>» The Chairman's Statement and the Chairman's Introduction to Corporate Governance can be located on pages 4 to 5 and pages 82 to 83, respectively.</p>
<b>Group Chief Executive</b> Dean Finch	<ul style="list-style-type: none"> <li>Leading the Executive team in running the Group's business.</li> <li>Leading the development of the Group's strategy and implementing the strategy as agreed by the Board.</li> <li>Working closely with the Chairman to support the effectiveness of the Board.</li> <li>Leading by example and ensuring effective communication of the Board's agreed strategy and desired culture to the Group's management and workforce.</li> <li>Supporting the Chairman to ensure that appropriate standards of governance permeate throughout the Group.</li> <li>Communicating the views of senior management to the Board to aid effective decision making.</li> <li>Ensuring that the Board receives accurate high-quality information from management in a timely manner.</li> <li>Listening to the constructive challenge of the Non-Executive Directors, and encouraging Non-Executive Directors to test proposals in light of their external experience and knowledge.</li> </ul> <p>» The Group Chief Executive's statement can be located on pages 11 to 13.</p>
<b>Chief Financial Officer</b> Andrew Duxbury	<ul style="list-style-type: none"> <li>Supporting the Group Chief Executive in developing and implementing strategy and alignment to financial objectives.</li> <li>Leading the Group's relationship with the auditor, banks and shareholders.</li> <li>Stewardship of the Group's financial resources and risk management.</li> <li>Ensuring that financial information and financial controls and systems of risk management are robust, and reporting this to the Board.</li> </ul> <p>» The Financial Review can be located on pages 20 to 22.</p>

Role	Responsibilities
<b>Senior Independent Director</b> Nigel Mills (until 1 May 2025)	<ul style="list-style-type: none"> <li>In addition to his role as a Non-Executive Director, acting as a sounding board for the Chairman and an intermediary for other Directors.</li> <li>Leading the annual performance review of the Chairman.</li> <li>Being available to shareholders for them to raise any concerns they may have outside of the usual channels of communication.</li> </ul>
<b>Non-Executive Directors (NEDs)</b> Annemarie Durbin <sup>1</sup> Andrew Wyllie Alex Depledge Shirine Khoury-Haq <sup>2</sup> Paula Bell Anand Aithal <sup>3</sup>	<ul style="list-style-type: none"> <li>Supporting and constructively challenging the Executive Directors in developing, determining and implementing the Group's strategy.</li> <li>Bringing independent judgement and scrutiny to decisions recommended by the Executive Directors and monitoring the reporting of performance.</li> <li>Contributing a broad range of views, skills and experience.</li> <li>Devoting time to developing and refreshing knowledge and skills.</li> <li>Monitoring delivery of the agreed strategy within the risk and control framework set by the Board.</li> <li>Reviewing the integrity of financial information and satisfying themselves that risk management systems are robust and defensible.</li> </ul>
<b>Designated Workforce NED</b> Colette O'Shea	<ul style="list-style-type: none"> <li>In addition to her role as a Non-Executive Director, attending meetings of the Employee Engagement Panel and facilitating effective two-way communication, meaningful dialogue and engagement between the Board and the Group's workforce.</li> <li>Acting as a direct link between the Employee Engagement Panel and the Board.</li> </ul>
<b>Company Secretary</b> Tracy Davison	<ul style="list-style-type: none"> <li>Advising the Board and supporting the Chairman on corporate governance matters.</li> <li>Ensuring a good flow of information to the Board, its Committees and senior management.</li> <li>Promoting compliance with statutory and regulatory requirements and Board procedures, and ensuring that regular updates are provided to the Board when necessary.</li> <li>Working with the Chairman to organise and deliver the Board's annual performance review.</li> <li>Providing guidance and support to Directors, individually and collectively.</li> <li>Ensuring that all new Directors receive thorough inductions that are adapted to meet their needs and requirements.</li> </ul>

- Will be appointed as the Senior Independent Director on 1 May 2025, following Nigel Mill's retirement from the Board at the AGM.
- Resigned on 30 September 2024.
- Appointed on 1 January 2025.





## Matters Reserved for the Board

The Board has a formal schedule of matters reserved for its consideration and decision, which is reviewed annually. The schedule includes:

- Setting the Group's purpose, values and standards;
- Approving the Group's strategy;
- Changes to the Group's structure and capital;
- Approving the annual report and accounts, and half-year results and trading updates;
- Approving the Capital Allocation Policy, recommending final dividend payments and agreeing interim dividend payments;
- Ensuring a sound system of internal control and risk management, as recommended by the Audit & Risk Committee, including reviewing the effectiveness of the Group's risk and control processes;
- Approving material capital projects and contracts;
- Approving resolutions and corresponding documentation to be put forward to shareholders at general meetings;
- Approving changes to the membership and composition of the Board, as recommended by the Nomination Committee;
- Delegations of authority;
- Corporate governance matters including considering the annual performance review of the Board and its Committees; and
- The review and approval of various policies.

The Group has a Conflicts of Interest Policy to govern the process of identifying, recording and managing any potential conflicts of interest of the Group's senior management team and wider workforce. To support the aims of the Conflicts of Interest Policy, the Group Internal Audit department oversees an annual process of obtaining declarations from individuals, with detailed reporting on potential conflicts of interest and mitigation controls, which is reported to the Audit & Risk Committee on an annual basis. Furthermore, declarations of interest are made (if applicable) at every Board and Committee meeting.

## Board external appointments

The Directors recognise that external appointments can broaden an individual's skills and experience. If an Executive Director wishes to take up an external appointment, they must first seek approval from the Chairman.

## Board composition

### Chairman

On appointment, Roger Devlin, Chairman, satisfied the criteria for independence specified in the UK Corporate Governance Code 2018. The Chairman, supported by the Company Secretary, sets the agenda for Board meetings and ensures that Board members are provided with accurate, timely and clear information. The Chairman ensures that Board meetings are a forum for open and constructive debate and that the views of all Directors are valued and considered.

### Senior Independent Director

Annemarie Durbin, currently Independent Non-Executive Director and Chair of the Remuneration Committee, will be appointed as the Senior Independent Director with effect from 1 May 2025, following Nigel Mills' retirement from the Board at the forthcoming Annual General Meeting, after nine years of service.

On 10 December 2024 the Company announced that Nigel Mills, the current Senior Independent Director, had notified the Board of his intention to step down from the Board and as Senior Independent Director, at the Annual General Meeting on 1 May 2025.

Nigel Mills was a Senior Advisor at Citigroup Global Markets until April 2020. Although Citigroup was one of the Company's two brokers until March 2020, they were not a financial advisor to the Company. Citigroup has received no remuneration from the Company for more than sixteen years, having only received share dealing commission in the two years prior to that. Whilst employed by Citigroup Nigel had not worked on the Company's business over the three years prior to his appointment to the Board in 2016, this itself being preceded by Citigroup's decision to put in place strict procedures to further ensure Nigel's independence. Accordingly, the Board reiterates its belief in Nigel's independence, which has been clearly demonstrated in debate in both Board and Committee meetings.

### Company Secretary

The Board is supported by the Company Secretary to ensure the necessary policies, processes, information and resources are in place in order that the Board can function effectively and efficiently. All Directors have access to the advice of the Company Secretary and may seek external professional advice at the expense of the Company in regard to their role with the Group.

### Non-Executive Directors

The Non-Executive Directors have expertise which complements that of the Executive Directors. Between them, the Non-Executive Directors have experience in fields such as construction and engineering, property, HR, executive leadership coaching, technology, banking and finance. The collective experience of the Non-Executive Directors allows them to make valuable contributions to Board discussions, providing insight, strategic guidance, a diversity of views and constructive challenge to the Executive Directors. For further information on the skills and contribution of each Director see pages 84 and 85.

Only Non-Executive Directors are members of the Board's Audit & Risk, Remuneration and Nomination Committees. The Chairman regularly holds meetings with the Non-Executive Directors without the Executive Directors being present.

All Directors are required to allocate sufficient time to the Group to discharge their duties. Prior to the appointment process the Nomination Committee considers the other demands on a potential Director's time and provides the Director with an assessment of the time commitment required of their role on the Company's Board.

Paula Bell is currently the Chief Financial & Operations Officer of Spirent Communications plc. Spirent announced in March 2024 that its Board had recommended an offer to its shareholders from Keysight Technologies Inc, and Spirent's shareholders have since voted to approve the takeover. Spirent & Keysight are currently seeking to obtain all necessary regulatory clearances to allow the deal to complete, which is currently expected to complete by the end of April 2025. On completion of that transaction, Paula intends to retire from Spirent and focus on her non-executive career. Since her appointment to Persimmon's Board on 1 September 2024, Paula has demonstrated great commitment to her role as both a Non-Executive Director and Chair of the Audit & Risk Committee; the Board is therefore satisfied that Paula has sufficient time to meet her board responsibilities, in accordance with the UK Corporate Governance Code 2018.

The Board considers all the Non-Executive Directors to be independent.

## Corporate governance statement continued

# Evaluation: Annual Board Performance Review

**The Board's policy is to undertake an annual review of its performance and that of its Committees and Directors, with an externally facilitated review at least triennially.**

During the year the annual board performance review was externally facilitated by Clare Chalmers Limited. Ms Chalmers has no connection to the Company or its directors, other than having conducted the Board's external performance review in 2018 and having supported the Chairman's internal performance review in 2020. The process for the 2024 external performance review was agreed with the Chairman and was supported by the Company Secretary.

In accordance with guidance issued by the Chartered Governance Institute, the disclosures relating to the process and findings of the 2024 external performance review have been reviewed by Clare Chalmers to ensure their accuracy.

### Board evaluation cycle



### Process – Annual Board Performance Review 2024

#### 1. Selection & appointment

A number of external performance review providers were considered by the Chairman and Company Secretary. Following careful consideration of the detailed proposals received, a shortlist was given to the Nomination Committee for their consideration. The Nomination Committee decided to appoint Clare Chalmers Limited, based on the firm's expertise, experience and service offering.

#### 2. Scoping

The External Reviewer met with the Chairman and Company Secretary to discuss the scope of the performance review and the review's methodology, including the framework for the External Reviewer's interviews with Board members and senior executives.

#### 3. Document review

The External Reviewer was provided with a comprehensive number of documents, including Board and Committee meeting papers, forward agendas and the Schedule of Matters Reserved for the Board.

#### 4. Observation

The External Reviewer observed one Board meeting, and one of each of the Board's Committees' meetings (Audit & Risk, Nomination and Remuneration).

#### 5. Interviews

The External Reviewer held in-depth interviews with all Board members, and interviews with individuals who regularly attend, or present at, Board or Committee meetings (including the Group's most senior executives, external auditor, and remuneration advisor).

#### 6. Draft report

The Chairman, Company Secretary and External Reviewer discussed the External Reviewer's draft report.

#### 7. Final report and Board presentation

The External Reviewer attended a Board meeting to present the final report, setting out findings and recommendations. The final report was then considered and discussed by the Board, and resultant actions were agreed.



## Annual Board Performance Review 2024

The 2024 performance review identified a number of areas of strength:

What the Board does well

<b>The Board benefits from a highly experienced Chairman, who engages well with Executives while ensuring Board members are kept fully informed about changes in the business.</b>
<b>The Board has committed, knowledgeable Independent Non-Executive Directors with a wide range of skills and experience, who engage well with the business.</b>
<b>The Board operates with a high degree of openness and transparency.</b>
<b>The Board’s Committees are led by well-qualified Chairs, give good coverage to their areas of responsibility and provide high quality inputs to the Board.</b>

The performance review also identified areas for potential improvement:

What the Board could do better	Action
<b>Financial information</b>	Comprehensive financial information is included in the papers issued prior to all Board meetings. However, to improve Board oversight of this area between meetings, financial updates will be issued to the Board on a monthly basis from the 2025 financial year.
<b>Strategy</b>	The Board holds a Strategy Day every October, where the Group’s strategy is debated, reviewed and agreed. To enhance the Board’s role in strategy development, Strategy Updates will continue to be included regularly in Board meetings.
<b>Culture</b>	The Non-Executive Directors conduct site visits, present at leadership development events and employee conferences; and attend Employee Engagement Panel meetings. To gain a better understanding of the Group’s culture and to further enhance the visibility of Non-Executive Directors among the Group’s employees, the Non-Executives are encouraged to undertake additional site visits.
<b>Sustainability</b>	The Board receives sustainability updates at each of its meetings via the Group Chief Executive’s Report and Business Update. However, to reinforce the Board’s oversight of this area, the Group’s Sustainability Director will attend Board meetings on at least a bi-annual basis to report on, and discuss, the work of the Group’s Sustainability Committee.

### Performance Review of Board Committees

The findings of each Committee’s performance review were presented to the Board. The Chairman also discussed the findings with each Committee Chair.

The performance review noted that the Board’s Committees are performing well. They are led by well-qualified Chairs, give good coverage to their areas of responsibility and provide high quality inputs to the Board. It was noted that

the Nomination Committee has a good record of recommending women for appointment to the Board, and the Committee will continue to focus on diversity in all its forms. A particular area of focus for the Audit & Risk Committee has been, and will continue to be, the Group’s enhancements to its risk management framework and internal control environment, and the Group’s preparations for changes under the UK Corporate Governance Code 2024.

### Performance Review of individual Directors

Following individual performance reviews, it is considered that the Chairman and Non-Executive Directors have individually performed well in their roles and have shown a high level of independence and commitment. Their collective experience allows them to make valuable contributions to Board discussions, providing insight, strategic guidance, a diversity of views and constructive challenge to the Executive team.

The Board also considers that the Group Chief Executive and Chief Financial Officer have performed well in their roles during the year. Dean Finch continues to demonstrate strong leadership of the business with a focus on build quality, customer care, stakeholder value, sustainability and strong long term returns to shareholders. Andrew Duxbury, who joined the Group on 17 June 2024, has settled into his role well and is already making a significant contribution to the business. To support the execution of the Group’s strategy, Andrew is enhancing and empowering the Group’s finance function, making it an enabler of business growth.

### Performance Review of the Chairman

The Chairman’s performance was formally evaluated by the Non-Executive Directors, led by Nigel Mills, the Senior Independent Director, in March 2024. Private discussions were held between the Senior Independent Director and each of the Non-Executive Directors. The evaluation concluded that the Chairman is well-qualified to lead the Board. He promotes open discussion that leverages the Board’s collective knowledge and experience, and ensures the participation of all directors. Feedback from the externally facilitated performance review of the Board later in the year was that the Chair is skilled and highly experienced and is commended for his efforts to establish strong and productive working relationships between the Non-Executive Directors and the Executives. The Senior Independent Director will conduct the annual appraisal of the Chair’s performance with the Non-Executive Directors in March 2025.



## Corporate governance statement continued

### Evaluation: Annual Board Performance Review continued



#### Annual Board Performance Review 2023 – progress made during 2024

The outcome of the Board Performance Review conducted in 2023 is set out below, along with the resultant actions taken during 2024 to strengthen the Board and its Committees.

What the Board does well

**We always explore all Board members' opinions prior to decision-making.**

**The Board's decisions are always based on facts and relevant data.**

**All Board members actively contribute to fostering a climate of inclusive discussion.**

**Our committee structure improves the efficiency of the Board's work.**

**The Board has the knowledge and experience required to support the delivery of the strategy.**

What the Board could do better	Action	Progress made during the year (2024)
<b>Instructions and procedures for monitoring business risks and internal financial controls</b>	Deliver an initial phase of control enhancements in preparation for Governance Code changes. Routine reporting has been improved, with an update from the Group Internal Control Manager provided regularly to the Audit & Risk Committee. This will continue to be an area of regular engagement for the Committee into 2024.	Enhanced reporting to the Audit & Risk Committee regarding the Group's risk management framework, including principal risk evolutions and control effectiveness, occurred during the year. Regular updates were also provided regarding the Group's programme of work to strengthen the risk management framework and the overall control environment. The delivery of improvements to the Group's risk management framework has been underpinned by the establishment during the year of the Group's Management Risk Committee.
<b>Strategy</b>	The Board will consider an element of the Board's strategy at each of its meetings, in addition to holding an annual Strategy Day.	Updates regarding actions flowing from the 2023 annual Strategy Day were received during 2024. Other elements of the Group's strategy, and the implementation of the strategy, were considered throughout the year.
<b>Succession planning for key roles in the management team.</b>	The Nomination Committee will continue to focus on succession during 2024 to ensure that more robust plans are in place.	Succession to Board and executive positions was a key area of focus for the Committee during the year, with updates being received from the Chief HR Officer and the Director of Talent and Diversity.  Detailed succession plans for CEO, CFO, UK Managing Director, Regional Chairs, and other senior executive positions were considered by the Nomination Committee.
<b>Attracting and retaining talent at all levels.</b>	Future priorities are executive team leadership, continuing cultural change and a focus on equality, diversity and inclusion.	The Nomination Committee received an update from the Chief HR Officer regarding the development of a new Strategic and Inclusive Workforce Plan, setting out the Group's approach to future proofing the skills of its workforce, and proposed actions to increase the diversity and inclusion of the Group's Talent Pipeline.



## Nomination Committee report

# Committee Chair's statement



**The Nomination Committee is satisfied that the Board is well balanced, with an appropriate blend of skills and expertise to successfully deliver the Group's strategy.**

**Roger Devlin**  
Chair of the Nomination Committee



### Nomination Committee members and meeting attendance 2024

	Scheduled meetings attended	Percentage of meetings attended
Roger Devlin (Chair)	3/3	100%
Nigel Mills	3/3	100%
Annemarie Durbin	3/3	100%
Andrew Wyllie	3/3	100%
Shirine Khoury-Haq <sup>1</sup>	2/2	100%
Alexandra Depledge	3/3	100%
Colette O'Shea	3/3	100%
Paula Bell <sup>2</sup>	1/1	100%

1. Resigned on 30 September 2024.
2. Appointed on 1 September 2024.

### Role and purpose of the Nomination Committee

The key duties of the Nomination Committee are to:

- review the structure, size and composition of the Board;
- lead the process for appointments to the Board; and
- ensure that plans are in place for orderly succession to both the Board and senior management.

The role, responsibilities and authority delegated to the Nomination Committee are outlined within the Committee's terms of reference. The terms of reference are reviewed annually to maintain alignment with corporate governance best practice. The most recent review of the terms of reference took place in December 2024 where minor updates were made to reflect the UK Corporate Governance Code 2024.

» Details of the members of the Nomination Committee and its terms of reference can be found on the Group's corporate website at [www.persimmonhomes.com/corporate/investors/corporate-governance/board-committees/](http://www.persimmonhomes.com/corporate/investors/corporate-governance/board-committees/)

**On behalf of the Board, I am pleased to present the Nomination Committee's report for the year ended 31 December 2024.**

### Board changes

Following a formal and rigorous recruitment process led by the Committee, Andrew Duxbury joined the Group as Chief Financial Officer on 17 June 2024. Andrew received a comprehensive induction, designed to provide him with a wide-ranging introduction to the business, including our values, strategy, operations, external environment and stakeholders. Further information on Andrew's induction can be found on pages 102 to 103.

In July 2024, we were pleased to recommend the appointment of Paula Bell to the Board as an Independent Non-Executive Director. Paula has extensive board experience both as an executive and non-executive director of large global organisations. She has held the position of Chief Financial & Operations Officer of Spirent Communications Plc since 2016. She has been a non-executive director and chair of the audit and risk committee at Keller Group plc since 2018 and was previously a non-executive director and chair of the audit committee at Laird Plc from 2013 to 2018. Paula has wide sector experience including in the construction, property and manufacturing environments. Paula joined the Board on 1 September 2024 and was appointed as Chair of the Audit & Risk Committee on 1 October 2024, succeeding Shirine Khoury-Haq who retired from the Board on 30 September 2024. The Board reiterates its thanks to Shirine for her valuable contribution.



## Nomination Committee report continued

### Board changes continued

In December 2024, the Committee also recommended the appointment of Anand Aithal to the Board as an Independent Non-Executive Director. With over 30 years of experience in financial, business and professional services, Anand brings a wealth of experience across many sectors as a senior executive, entrepreneur and non-executive. Anand currently holds non-executive director roles at Saga Plc, Polar Capital Holdings Plc and Nationwide Building Society and serves on not-for-profit boards at the Association of Chartered Certified Accountants and the Institute for Government. Previously, Anand was the lead non-executive for the Cabinet Office. He also co-founded Amba Research, an outsourced data analytics and research business. Anand's work internationally has provided him with a broadened business perspective. Anand was appointed to the Board on 1 January 2025.

The Nomination Committee is satisfied that the Board is well balanced, with an appropriate blend of skills and expertise to successfully deliver the Group's strategy.

### Succession planning and talent development

Two key duties of the Nomination Committee are ensuring that plans are in place for orderly succession for Board and senior management positions and overseeing the development of a diverse pipeline for succession. To assist with this, the Nomination Committee has received updates and presentations from the Chief HR Officer and Director of Talent and Diversity on the Group's succession plans for the Executive Directors and members of the senior management team. Updates were also provided on diversity and talent across the Group. The Nomination Committee noted timelines for potential successors including 'ready now' talent and those who would be ready over longer durations, as well as immediate temporary cover should this be required.

The succession plan updates during the year included targeted actions the Group is taking including training and development programmes for high-potential employees and potential future leaders, as well as the introduction of new roles, to assist with the transitions to senior positions.

Further information on the Nomination Committee's approach to succession planning, and supporting and developing a healthy and diverse talent pipeline, can be found on pages 104 to 106.

### Diversity and inclusion

Further progress has been made in enhancing the Group's diversity and inclusion during the year, with particular focus being on increasing the representation of female employees and those from ethnic minority backgrounds. Various initiatives were implemented to support female talent, including leadership programmes, and female representation among all employees increased to 30% during the year, with notable progress in senior roles. Our collection of employee ethnicity data also improved during the year and the Nomination Committee will continue to monitor the Group's progress in line with our action plan to increase ethnic minority representation in senior roles.

During the year, the Nomination Committee noted that an externally assessed inclusion audit had taken place to measure our progress in increasing diversity. The findings pointed to the progress made in embedding equality, diversity and inclusion throughout the Group. This resulted in an improvement in the Group's rating, compared to the previous audit which was completed in 2021, moving from Bronze to Silver, and further evidences the Group's cultural evolution.

### Looking ahead

During 2025, the Nomination Committee will continue to monitor the Group's work to increase diversity and improve inclusion. It will also review the Board's structure, size and composition; evaluate the skills, knowledge and experience of the Board; and ensure that plans are in place for orderly succession to the Board and senior management.

**Roger Devlin**

**Chair of the Nomination Committee**

10 March 2025







# Q&A with Andrew Duxbury, Chief Financial Officer

## Q What attracted you to Persimmon?

**A** Persimmon is a major operator in a sector that I know well. This is a sector that is of importance not only to the lives of our customers but also to the wider UK economy. Persimmon's reputation for efficient, market-leading financial performance, coupled with its improved focus on quality, people and customers, were also major attractions to me. I was excited by Persimmon's innovation, such as vertical integration, and how this could be used to improve our performance going forward. Over recent years, Persimmon has invested in numerous areas including operational capabilities, people, land and vertical integration; this has led the Group to be very well positioned to take advantage of market opportunities.

## Q How did you find the induction process?

**A** From the point that my appointment had been confirmed, I was given opportunities to meet with key members of the operational management team, including the UK MD and the Regional Chairs, as well as senior members of the Group finance team. My induction was both broad and thorough and commenced once I joined the Group in June 2024. This included meetings with each member of the Board, senior executives and other heads of functions, as well as colleagues at all levels of the organisation. I undertook numerous visits to sites around the Group's regions, which allowed me to see Persimmon's build and sales processes in action and meet stakeholders including a number of colleagues. I was impressed with the people I met through the induction process as well as the induction process itself.

## Q Is there anything that has surprised you in your first six months in the role?

**A** Prior to joining Persimmon, I had some awareness of the investments which the Group had made to its capabilities, quality and service. However, when I commenced as Chief Financial Officer, it became really clear how well embedded these had been throughout the Group. I was excited to visit our manufacturing facilities and see vertical integration in operation and I look forward to seeing what more there is to come. During my initial months with the Group, I was pleased to see the commitment, enthusiasm and pride of the colleagues I had met in the various offices and sites across the Group's regions.

## Q How important is the Company's culture to you and what are your thoughts on Persimmon's culture since joining?

**A** Culture is an extremely important consideration to me when contemplating joining a company. Upon my commencement with the Group, it became clear to me that Persimmon's culture has evolved significantly in recent years. I hope that my appointment as Chief Financial Officer will assist with the continued evolution of Persimmon's culture.

## Q What changes do you plan to bring to the Group?

**A** I think that my appointment will bring sector experience to help drive performance into the new housing cycle. Although this will be different to the previous housing cycle, I believe that the Group has the opportunity to continue to outperform and that my skills, knowledge, experience and approach will help drive this. To date, the Group has been hugely successful and is well positioned for future success. The Group has made significant investments and taken strides in recent years in its sales, build, HR and IT capabilities. I would like to build on these changes by improving the performance and efficiency of other functions, including Finance.

## Q Are there any areas where you think Persimmon can do more?

**A** I am pleased with how far Persimmon has come and its positioning in the market. However, I am also excited by the opportunities which Persimmon has available to it going forward. For example, I am confident that the Group can increase its investment and create value through its existing Charles Church and Westbury brands, complementing the Persimmon core brand offering. I am particularly excited by how the Group can use its vertical integration capabilities to not only help protect its sources of supply in the growing market but also to help it drive volume, margin and quality.





# Nomination Committee report continued

## Summary of the Nomination Committee’s work during the year

The Nomination Committee oversees and receives updates on various matters which are reviewed periodically and align with the Group’s strategic priorities. These include succession planning, diversity and culture.

Theme	Activity/discussion	Mar 24	Jun 24	Dec 24
Oversee the development of a diverse and talented workforce	Board and Group diversity and inclusion	✓	✓	✓
	Talent	✓	✓	✓
Ensure that plans are in place for orderly succession to both the Board and senior management	Board/management skills mapping	✓		✓
	Executive team development updates and plans	✓	✓	✓
Lead the process for appointments to the Board	Board appointments	✓	✓	✓
Other	Board training framework	✓	✓	
	High level HR department update		✓	
	Corporate governance matters		✓	✓



## Key matters considered and outcomes

### Matter considered: Succession Planning

**Process:** The Nomination Committee discussed Executive talent and succession planning, as well as Chairman and Independent Non-Executive Director succession. Succession plan grids were reviewed and discussed.

**Outcome:** Skills gaps were noted and consideration given as to how these could be filled. Development plans for the key senior managers were noted. The Nomination Committee agreed that it would be beneficial to have additional City and finance experience on the Board and that the search for the new Independent Non-Executive Directors include the requirement for these skills.

### Matter considered: Appointment of Independent Non-Executive Directors

**Process:** The Nomination Committee determined the skills, experience and diversity of views which would benefit the Board’s composition. An executive search, board and leadership advisory services firm was engaged to conduct searches for suitable candidates.

**Outcome:** The Nomination Committee recommended the appointment of Paula Bell and Anand Aithal. Paula was appointed to the Board on 1 September 2024 and as Chair of the Audit & Risk Committee on 1 October 2024. Anand was appointed to the Board on 1 January 2025.

### Matter considered: Diversity and Inclusion

**Process:** The Nomination Committee received gender and ethnicity reports from the Chief HR Officer and the Director of Talent and Diversity, covering matters such as data, recruitment activities and training, as well as actions to improve diversity. During 2024 the Group participated in the Parker Review Survey and the FTSE Women Leaders Review Survey.

**Outcome:** Following consideration of the Parker Review Survey, the Nomination Committee agreed a stretching target for increasing the ethnic diversity of the Group’s Executive Committee and Direct Reports, to be achieved by 2027. When setting this stretching target, consideration was given to the national nature of the Group’s operations, and the variations in ethnic diversity across the regions of England, Scotland and Wales. The Group aspires to have a more diverse and inclusive workforce by 2030, with a particular focus on increasing representation among our employees and leadership.

## Board Skills Matrix

During the year, the Board skills matrix was reviewed and refined to add additional categories and nuance to the scoring. Each Director was asked to score a variety of skills including listed business and boardroom skills, risk, regulation, leadership, sales & marketing, ESG, and financial reporting oversight.

The results of the Board skills review demonstrated that, together, the Directors bring a variety of skills and expertise to the Board, with clear strengths in governance, financial oversight, strategic thinking, stakeholder management, and human resources and culture. The review also highlighted areas for future development, such as technology and innovation, and sustainability. Overall, the Nomination Committee considers that the Board’s skills are appropriate to the Group’s current strategy. Further learning and development opportunities for the Board will be considered, with additional training provided as appropriate.

The Board skills matrix will be reviewed regularly to ensure that the combined skills, knowledge and experience of the Board is appropriate for the Group’s strategy.

## Composition of the Nomination Committee

The Nomination Committee consists exclusively of the Board’s Independent Non-Executive Directors, with each being a member. Further information on the experience and skills of the Board can be found on pages 84 to 85. The composition of the Nomination Committee changed during the year due to the resignation of Shirine Khoury-Haq and the appointment of Paula Bell. Anand Aithal also joined the Nomination Committee shortly after the year end, on 1 January 2025. Further details of these changes can be found on page 103.

Members are recused from meetings when the Nomination Committee discusses matters which may concern them. Due to its key duties, the Nomination Committee receives updates on matters including succession, diversity and talent development. Meetings are also attended, in full or in part, by other individuals upon invitation, for presentations and updates. Attendees include the Group Chief Executive, the Chief HR Officer and the Director of Talent and Diversity. In line with its terms of reference, the Nomination Committee meets on at least three occasions each year. During the year, the Nomination Committee held three scheduled meetings, with an additional meeting to consider the replacement of the Chair of the Audit & Risk Committee following Shirine Khoury-Haq’s resignation.

## Board composition

### Board changes and inductions

#### Board induction – Andrew Duxbury

A comprehensive, formal and tailored induction programme was put in place for Andrew Duxbury upon his joining the Group on 17 June 2024. Stakeholder engagement was a key component of the induction and Andrew had meetings



with the lead partner of the external auditor, major shareholders and our banking partners. To assist him with these meetings, Andrew met with the Group's Investor Relations Director early in his induction process to gain oversight of the Group's major shareholders and their existing relationships with the Group. Meetings took place with all members of the Board, and the Group's senior executives.

The wide-ranging schedule of meetings covered themes including customer experience, construction, land and planning, technical and commercial, human resources, investor relations, strategy and regulation, audit and risk, strategic partnerships and external affairs; health, safety and environment; FibreNest, IT and cyber security, legal, finance, and off-site manufacturing.

Prior to his formal commencement date, Andrew was invited to attend the Group's Leadership Conference and attended introductory meetings with members of the finance department.

Andrew's comments on his induction process can be found on page 101.

### Board departure – Shirine Khoury-Haq

In April 2024 Shirine Khoury-Haq notified the Board of her intention to step down as an Independent Non-Executive Director and Chair of the Audit & Risk Committee of the Company, with effect from 30 September 2024, to focus on her role as Group Chief Executive at The Co-operative Group. During her three-year tenure, Shirine made a valuable contribution to the Board.

### Forthcoming Board departure – Nigel Mills

In December 2024, Nigel Mills notified the Board of his intention to step down from the Board and as Senior Independent Director, at the Company's Annual General Meeting on 1 May 2025, after nine years of service. During his nine-year tenure on the Board, Nigel has made an immense contribution, providing wise and valuable counsel.

### Board appointments – Paula Bell and Anand Aithal

Following notification of Shirine's intention to resign from the Board, the Nomination Committee focused on the recruitment of an Independent Non-Executive Director who could assume the role of Chair of the Audit & Risk Committee. Spencer Stuart, an executive search, board and leadership advisory services firm, was engaged to provide a list of candidates who met the specification. Upon the conclusion of a thorough and robust search process, five candidates were interviewed by the Chair of the Nomination Committee. The candidates were reduced to two preferred individuals who were then interviewed by the remaining members of the Nomination Committee. They also met with the Executive Directors. The successful candidate was selected based on criteria including personal strengths, expertise and experience.

On the conclusion of the recruitment process, the Nomination Committee recommended to the Board that Paula Bell be appointed as an Independent Non-Executive Director and Chair of the Audit & Risk Committee. The Board subsequently approved the recommendation and Paula's appointment to the Board was announced on 23 July 2024. Paula assumed the role of Independent Non-Executive Director on 1 September 2024 and the role of Chair of the Audit & Risk Committee on 1 October 2024.

When recommending Paula Bell's appointment to the Board, the Committee noted that Paula intends to retire from Spirent Communications Plc on completion of its takeover by Keysight Technologies Inc. For further details, please see page 95.

Following a similar recruitment process for which Spencer Stuart was also engaged, in December 2024 the Nomination Committee recommended the appointment of Anand Aithal as an Independent Non-Executive Director of the Company. The Board approved the recommendation and Anand's appointment to the Board was announced on 10 December 2024. Anand assumed the role of Independent Non-Executive Director on 1 January 2025.

The biographies of the Board, including those of Paula and Anand, containing information on their experience and skills, can be found on pages 84 and 85.

Spencer Stuart was selected as the search firm due to its expertise in addition to its global commitment to diversity, equality and inclusion. Spencer Stuart has been recognised as an Equality 100 organisation and partner with global organisations to improve diversity, equity and inclusion. Spencer Stuart has no other connection to the Company or its Directors, other than the provision of recruitment services.

### Board inductions – Paula Bell and Anand Aithal

Following their appointments to the Board, Paula Bell and Anand Aithal received comprehensive and tailored inductions to the Group. Facilitated by the Company Secretary, the inductions took place over a number of days and included meetings with senior executives across the Group and key external parties, as well as operational site visits. The meetings were designed to give Paula and Anand a valuable insight into the Group's business and culture. Those they met included the Chief Financial Officer, the UK Managing Director, the Deputy UK Managing Director and the Group Strategy and Regulatory Director. The Group Director of Strategic Partnerships and External Affairs and the Group Health, Safety and Environment Director were also met with. Site visits allowed Paula and Anand to see building and sales in progress; this is at the heart of what we do. Both Paula and Anand were encouraged to provide feedback on the induction process to assist in refining the process for future appointments.

## Board appointment process

### 1 Specification

Candidate specification reviewed and refreshed. This includes a candidate specification describing the Group's business and strategy, and candidate skills and experience. Consideration is given to the existing composition, size, skills, experience and knowledge of the Board.

### 2 Search

Engagement with an external search firm which specialises in recruitment in this area. Identification of diverse candidates, both internal and external (role dependent), who meet the specification.

### 3 Assessment

A longlist of candidates is produced. Candidates are assessed for a number of factors including knowledge, capability, leadership and delivery.

### 4 Interview

A shortlist of candidates are interviewed by the Nomination Committee and other senior executives (role dependent). Shortlisted candidates may be requested to undertake other assessments and/or interviews with external third parties. The interview process may be supported by the Chief HR Officer.

### 5 Selection, recommendation and appointment

The Nomination Committee considers the feedback from the interviews and makes a recommendation to the Board regarding the appointment. The Board then considers, and if appropriate, agrees the appointment.



## Nomination Committee report continued

### Equality, diversity and inclusion

The Nomination Committee takes a key role in reviewing and agreeing the diversity objectives and strategy for the Group. Presentations and updates are regularly received from the Chief HR Officer and the Director of Talent and Diversity. The Board is committed to ensuring equality, diversity and inclusion across the Group as a whole. Over recent years the Board has taken action to evolve the Group's culture, such as launching the Group's updated values, which underpin our desired culture. The Nomination Committee reviews the Group's progress to monitor how the Group's culture is changing and whether further actions are needed. Equality, diversity and inclusion are important to our ambition to become an employer of choice.

During the year, a Diversity and Inclusion Dashboard was introduced to aid the work of the Nomination Committee. The Diversity and Inclusion Working Group, consisting of a diverse cross-section of employees, continued to meet to shape and deliver the key strands of the Group's Equality, Diversity and Inclusion Strategy. An external audit took place to measure progress and it was very encouraging that the Group moved from a bronze to a silver rating. We have networking groups for women and LGBTQ+ employees, and have also held discussion groups with ethnic minority colleagues, to understand how we can make changes to attract a more diverse workforce and be more inclusive.

» Further details on the Group's equality, diversity and inclusion activities undertaken during the year are located on pages 25 and 49.

#### Link to strategy

The Group's Equality, Diversity and Inclusion Policy applies to all employees including the Board and its Committees. Its purpose is to provide equality, fairness and respect for all employees; to ensure we do not unlawfully discriminate because of a protected characteristic (race, religion or belief, disability, sex, gender reassignment, age, sexual orientation, pregnancy and maternity, marital or civil partnership status); and to prevent all forms of unlawful discrimination. The Group has created and implemented an Equality, Diversity and Inclusion Plan to achieve this, which contains details of how the Group's Equality, Diversity and Inclusion Strategy will be implemented. The Nomination Committee approves the Equality, Diversity and Inclusion Policy. It states the governance mechanisms established to support the delivery of the Group's Equality, Diversity and Inclusion Strategy and the Group's overall strategy. It covers a range of areas including recruitment and selection, training and promotion, and disabilities. Whilst the Equality, Diversity and Inclusion Policy mentions specific protected characteristics, the Group recognises that diversity is fluid and exists in all shapes and forms. Diverse workforces provide both companies and societies with a wealth of opportunities to grow and succeed. The Board believes that it is important for the Group to ensure the social diversity within its communities is reflected in its employees.

» The Equality, Diversity and Inclusion Policy is available on the Group's corporate website: [www.persimmonhomes.com/corporate/sustainability/policies-and-statements/](http://www.persimmonhomes.com/corporate/sustainability/policies-and-statements/)



#### Diversity and Inclusion Dashboard

The Diversity and Inclusion Dashboard was launched during the year. It tracks employee demographics, providing insights into diversity at all stages of the employee journey, demonstrating how the Group is performing in its aim to increase diversity. This supports our Equality, Diversity and Inclusion Strategy. Going forward, the Diversity and Inclusion Dashboard will be considered at each Nomination Committee meeting, to provide updates and monitor changes.

The Board's Performance Review included consideration of Board succession planning, training and induction processes, as well as the work of the Nomination Committee. Further information on the Board's Performance Review can be found on pages 96 to 98.

» Information on the Group's gender pay gap can be found in the Remuneration Committee Report on page 134 and on the Group's corporate website at: [www.persimmonhomes.com/corporate/sustainability/policies-and-statements/gender-pay-gap-reports/](http://www.persimmonhomes.com/corporate/sustainability/policies-and-statements/gender-pay-gap-reports/)

During the year, the Board received a presentation on the Group's people and culture, including actions both taken and planned. A strategic 'to do' list of HR priorities was presented with updated action areas for 2025 – 2029. Action areas relating to equality, diversity and inclusion going forward include:

- enhancing the Diversity and Inclusion Dashboard to measure and assess strategy impact;
- continuing progress on culture change with a Behavioural Framework;
- improving recruitment processes focusing on under-represented groups; and
- developing an action plan to attract employees from ethnic minority backgrounds.





## FCA Listing Rule 6.6.6R(9) – diversity reporting

In compliance with FCA Listing Rule 6.6.6R(9) the Company reports the following diversity information as at 31 December 2024:

FCA Listing Rule target	Outcome at 31 December 2024	Explanation at 31 December 2024	Outcome at 10 March 2025	Update at 10 March 2025
<b>At least 40% of Board Directors are women</b>	<b>Target achieved</b>	44.4% of Board Directors were women.	<b>Target achieved</b>	40% of Board Directors were women. The FTSE Women Leaders target continues to be achieved.
<b>At least one senior Board position* held by a woman</b>	<b>Target not achieved</b>	No senior Board positions were held by women during 2024. The Board has agreed that Annemarie Durbin will be appointed Senior Independent Director on 1 May 2025.	<b>Target to be achieved by 1 May 2025</b>	Annemarie Durbin will be appointed as Senior Independent Director with effect from 1 May 2025. The FTSE Women Leaders target will be achieved from 1 May 2025.
<b>At least one Board Director from a minority ethnic background</b>	<b>Target temporarily not achieved</b>	In the three-month period between Shirine Khoury-Haq leaving the Board and Anand Aithal joining the Board, we did not meet this target.	<b>Target achieved</b>	One Board Director from a minority ethnic background. The Parker Review target has again been achieved.

\* Chair, Chief Executive, Senior Independent Director or Chief Financial Officer.

Changes have occurred to the composition of the Board between 31 December 2024 and the date this document was approved 10 March 2025.

See the supporting explanation for further details.

### Gender diversity data at 31 December 2024

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management**	Percentage of executive management**
<b>Men</b>	5	55.6%	4	6	60%
<b>Women</b>	4	44.4%	0	4	40%
<b>Not specified/prefer not to say</b>	0	0%	0	0	0%

\*\* Executive Committee only.

### Ethnic diversity data at 31 December 2024

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management**	Percentage of executive management**
<b>White British or other White (including minority-white groups)</b>	9	100%	4	9	90%
<b>Mixed/Multiple Ethnic Groups</b>	0	0%	0	1	10%
<b>Asian/Asian British</b>	0	0%	0	0	0%
<b>Black/African/Caribbean/Black British</b>	0	0%	0	0	0%
<b>Other ethnic group</b>	0	0%	0	0	0%
<b>Not specified/prefer not to say</b>	0	0%	0	0	0%

\*\* Executive Committee only.

### Supporting explanation

During the year the Committee has continued to closely review the composition and diversity of both the Board and the Group's executive management team. The journey to increase diversity within the Board and Group as a whole has remained a focus and whilst progress continues to be made, the Group will continue to work to increase the diversity of its employees. The Board had a Director from a minority ethnic background until 30 September 2024. In the three-month period between Shirine Khoury-Haq leaving the Board and Anand Aithal joining the Board, we did not meet the target set by the Listing Rules and Parker Review. We achieved this target once again following the appointment of Anand Aithal to the Board as Independent Non-Executive Director on 1 January 2025. Further details on Anand's appointment can be found on page 103.

In December 2024, the current Senior Independent Director, Nigel Mills, notified the Board of his intention to step down from the Board and as Senior Independent Director, at the Company's Annual General Meeting on 1 May 2025, after nine years of service. The Group announced that due to her strong leadership skills, accompanied by her governance expertise and proficiency in stakeholder management and mentoring, Annemarie Durbin would be appointed as Senior Independent Director from 1 May 2025 following Nigel's retirement. At 31 December 2024, whilst the Group had not achieved the target of having a senior Board position held by a woman, the positions of Chair of both the Remuneration Committee and Audit & Risk Committee were held by women. The Board will meet the target of at least one senior Board position held by a woman from 1 May 2025.

During the year the Group participated in the FTSE Women Leaders Review Survey and the Parker Review Survey.

### Approach to data collection

The Company has used a consistent approach in collecting the gender and ethnicity data displayed in the tables above, the source of which is the Group's HR Information System.

All employees, including Board Directors, are asked to provide information regarding their gender and ethnicity when they join the Group. If provided, the gender and ethnicity information is recorded in the Group's HR Information System. Employees can update their gender and ethnicity details at any time during their employment via the Group's HR Information System. Employees provide the information on a voluntary basis.

For gender data collection, employees can self-identify as either male, female or 'other'. The Group's HR Information System offers employees the ability to declare if their current gender differs from that of their gender which was assigned at birth.

For ethnicity data collection, employees can self-identify based on the ethnicity categories set out by the Office for National Statistics.

## Nomination Committee report continued



### Board succession

Succession planning is a key duty of the Committee and consistently features during meetings. The Group has succession plans in place, and the Nomination Committee reviews those of the senior team regularly. They also review the processes in place for succession planning in the Group generally. As stated in our Equality, Diversity and Inclusion Policy, the Group's succession plans are based on merit and objective criteria, and within this context promote all aspects of diversity, with a particular focus on gender, social mobility and ethnicity. The Board takes a strategic approach to succession planning, to ensure a diverse combination of skills, experience and views.

During the year the Nomination Committee was presented with the succession plans for the Executive Directors and members of senior management, as well as the Chairman and Independent Non-Executive Directors. Timelines for potential successors were noted, including temporary emergency cover, ready now, ready in the short term and ready in the longer term. Example discussions during the meetings include a mapping of the impacts of any senior management exits, as well as action plans to mitigate risks. Updates and presentations were delivered by the Chief HR Officer and the Director of Talent and Diversity.

### Senior management succession

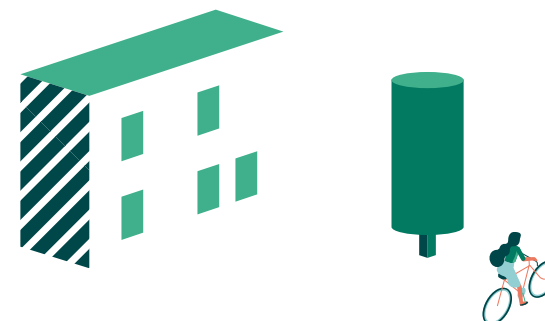
As part of senior management succession planning, our Regional Chairs have detailed development plans in place to assist their progression. Targeted training sessions were undertaken by specific job roles to broaden their knowledge. Additional job roles have been introduced to provide stretch and support the transition to the next level; this includes Regional Managing Directors and Deputy Managing Directors. Individual coaching and support have also been given to our Managing Directors. This, accompanied by a more rigorous Managing Director recruitment process, has led to a 50% reduction in turnover in the role. Third party higher education providers have been employed to offer executive training and education programmes to our senior managers. We have continued our Leadership Development Programme with three cohorts having successfully completed to date. Of the 35 participants in the three cohorts since we launched the programme in October 2022, ten have been promoted, including moves to MD, Deputy MD, and Regional Finance Director roles. Others have taken on additional responsibilities in their current positions, been appointed a mentor, or received individual coaching. Additionally, since its inception, 127 employees from across the Group have participated in the Advanced Management Programme, which targets high performing individuals in junior and middle management roles.

This has led to the promotion of 43 participants to date. The Group's Graduate Scheme also launched for another year during 2024.

Whilst mentoring took place during the year, a more formal mentoring programme will be launched during 2025, which will see mentors receive formal training before being carefully matched to suitable mentees. This will provide opportunities for personal growth, skills and career development for both parties. Further details on the progress and achievements made in talent management and development during the year are located on pages 23 to 25.

During 2025, the Nomination Committee's key areas of oversight in relation to talent and succession will include the Group's work in providing tailored support for high-performing members of senior management, Managing Director's and Regional Chairs; developing a structured mentoring scheme; establishing a cohort of trained internal coaches; and continuing to evolve senior management and Managing Director development activities, under career pathways or establishing an academy.

**Roger Devlin**  
Chair of the Nomination Committee  
10 March 2025







## Audit & Risk Committee

# Committee Chair's statement



I am pleased to issue my first report as Chair of the Audit & Risk Committee, which through the course of 2024 has continued its important work in overseeing the Group's financial reporting, external and Internal Audit provision, and the development of enhanced systems of risk management and internal control.

**Paula Bell**  
Chair of the Audit & Risk Committee

### Audit & Risk Committee members and meeting attendance 2024

	Scheduled meetings attended	Percentage of meetings attended
Paula Bell (Committee Chair) <sup>1</sup>	1 / 1	100%
Shirine Khoury-Haq <sup>2</sup>	3 / 3	100%
Andrew Wyllie	4 / 4	100%
Colette O'Shea	4 / 4	100%

1. Joined 1 September 2024.
2. Former Committee Chair, left 30 September 2024.

### Key duties of the Audit & Risk Committee

The main role of the Audit & Risk Committee is to support the Board in fulfilling its corporate governance responsibilities. In particular, and as outlined within its terms of reference, the Committee provides oversight of the following:

- processes for corporate reporting (including key accounting judgements and estimates, and non-financial reporting);
- external audit;
- risk management framework;
- system of internal controls; and
- Group Internal Audit processes.

The Committee's composition has been subject to change within the year. Shirine Khoury-Haq stepped down from the Board and her role as Chair of the Committee on 30 September 2024; I would like to thank Shirine for the valuable contribution she made to the work of the Committee during her time with Persimmon and for her assistance to me when I took on the role of Chair to ensure a safe transition. The other members have remained unchanged throughout the year, ensuring the Committee continues to benefit from an extensive and broad range of skills and experience to fulfil its duties effectively.

From my appointment as Chair of the Audit & Risk Committee from 1 October 2024 I have taken the opportunity to review both the current assurance and risk management processes and policies in place, together with initiatives and areas of focus we plan to further develop going forward. This will ensure our work appropriately matches and supports the business agenda.

This report provides insight into key areas considered and how the Committee has discharged its responsibilities as outlined within its terms of reference over the course of the year, with particular focus on corporate reporting, external audit, Internal Audit and the Group's systems of risk management and internal control. In performing these duties, the Committee has complied with the requirements of the UK Corporate Governance Code 2018 and has been guided by best practice as published by the FRC.

The Committee's main areas of focus have remained largely consistent from prior years, with a continued focus on ensuring integrity and quality of financial reporting, an effective and high quality external audit, and the ongoing effectiveness and independence of the Group Internal Audit department. The Committee has also continued to focus on providing oversight on the Group's extensive work on enhancing its risk management and internal controls, in anticipation of the future requirements of the UK Corporate Governance Code.

In fulfilling its duties, the Committee has maintained its close working relationship with Ernst & Young LLP ('EY') as the Group's external auditor, as well as the Group Finance and Group Internal Audit departments and other members of the senior management team within the Group. The close working relationship with each of these stakeholders has enabled the Committee to ensure the Group has provided clear and accurate corporate reporting, with appropriate challenge on areas of accounting judgement and estimation, while operating with effective and appropriate risk management, internal control and Internal Audit regimes.





## Audit & Risk Committee continued

### Committee Chair's statement continued

#### Areas of focus 2024

##### Economic and political environment

The economic and political environment changed through the year, with some early signs of economic improvement and the UK general election in July. We experienced some easing of UK inflationary pressures and mortgage rates beginning to reduced but external factors, including geopolitical uncertainty, have remained challenging and presented additional risks and uncertainties to the Group's operations. In this context, the Committee has retained a particular focus on accounting judgements and estimates, including areas such as the Group's liquidity, asset carrying values, the appropriateness of the legacy buildings provision and our Viability Statement and going concern assessments. Management has modelled and reviewed each of these areas extensively, with further scrutiny and review through the work of the external auditor. The Committee has challenged these assessments, and the underlying assumptions on which they are based, to ensure their appropriateness.

##### Corporate reporting

The Committee has maintained its focus on ensuring the integrity of all aspects of the Group's corporate reporting. This has involved review and challenge on the key aspects of the Group's financial and non-financial reporting throughout the year, such as the Half-Year Report and the 2024 Annual Report, along with all associated regulatory disclosures including those relating to climate as outlined by the Task Force on Climate-related Financial Disclosures ('TCFD'). The Committee has reviewed the Group's 2024 Annual Report and has satisfied itself that taken as a whole it is fair, balanced and understandable, and provides the necessary information for stakeholders to assess the Group's overall position, performance, business model and strategy.

##### Legacy buildings provision

Each meeting of the Committee has included a review of reporting from the Group Construction Director, detailing the progress of the Group's remediation works on legacy buildings. The Committee has provided challenge on the assumptions that management has made on the anticipated costs and duration of the remediation works. The Committee has satisfied itself that the Group's provision remains reasonable and is reflective of the likely future scope and cost of remediation works.

##### External audit

Oversight of the Group's external audit provision has continued to be a key area of attention for the Committee, with particular focus on ensuring the ongoing quality, independence and objectivity of the auditor, and maintaining a positive relationship where audit challenge is both encouraged and welcomed. As in prior years, the Group has actively engaged with the auditor and management to oversee the audit planning process, and satisfy itself of the quality and effectiveness of the audit approach. Auditor independence and objectivity have been maintained through various measures, including regular private meetings between the audit partner and the Committee, the Group's policy limiting the provision of non-audit services, review of the auditor's independence declarations and periodic rotation of the audit partner. The Committee remains satisfied that EY continues to be independent and objective and that the Group's audit is effective.

##### Risk management and internal control

On behalf of the Board, and as part of a well-established annual process, the Committee has assessed the Group's principal and emerging risks. This included a review of the results of a comprehensive exercise to gather feedback from the Board and senior management, with particular focus on risk movements and the effectiveness of the mitigating controls. In anticipation of the changes within the UK Corporate Governance Code 2024, the Group has continued its work to strengthen risk management, internal control and assurance processes. Within the year, enhanced Committee reporting on the Group's risk management framework, including principal risk evolutions and control effectiveness, has been established, and regular updates are provided on the programme of work to strengthen the Group's overall control environment. In the second half of 2024 a new Management Risk Committee was established by management, to bring together subject matter experts from across the Group to review and improve various elements of the risk management framework, including work to define material controls relevant to the Group's principal risks and other key activities. This is an important addition to further embed the risk management framework within the Group's culture and drive continuous improvement.

##### Internal audit

The Committee has continued to engage closely with the Director of Internal Audit to oversee the work of the Group Internal Audit department, including the provision of private sessions at least annually. In addition to the review of routine reporting on Internal Audit findings, follow-up actions and departmental performance, the Committee has played a proactive role in the review and approval of the department's charter, risk-based annual Internal Audit plan, and the resourcing and development plans as proposed Director of Internal Audit. The Committee has completed its formal assessment on the overall provision of Internal Audit, and remains satisfied of its continued effectiveness and independence.

#### Anticipated areas of focus for 2025

2024 has been another busy year for the Committee and management has made good progress in ensuring the audit assurance plans match both the changing external environment the Group operates within, whilst remaining mindful of emerging risks as the Group moves forward with its strategic agenda.

Over the course of 2025, the Committee will continue to focus on its core areas of responsibility. In addition to the focus on corporate reporting and oversight of both external and Internal Audit provision, the adequacy of the Group's systems of risk management and internal controls will be a particular area of emphasis. This will provide oversight over processes to ensure the Group is well prepared for the changes within the UK Corporate Governance Code 2024, and any change in the broader corporate governance or legislative environments. In addition, the Committee is preparing to oversee a competitive audit tender process, as it is required to do when the incumbent auditor tenure reaches ten years.

##### Paula Bell

##### Chair of the Audit & Risk Committee

10 March 2025



# Audit & Risk Committee report

## Purpose, governance and effectiveness of the Audit & Risk Committee

The Audit & Risk Committee's main role, as outlined within its terms of reference, is to support the Board in fulfilling its corporate governance responsibilities. In particular, the Committee provides oversight of the Group's corporate reporting processes (including key financial accounting judgements and estimates), ensures an appropriate and high-quality provision of assurance from both external and Internal Audit, and monitors the Group's systems of risk management and internal control.

The role of the Committee is formalised within its terms of reference, which are subject to annual review. Only minor updates were made to these in 2024, following a comprehensive review in the prior year to reflect the broadening of the Committee's role and greater emphasis on risk management and internal control. The Committee also reviews annually the anticipated key matters for consideration in the following year, and agrees an outline schedule of agenda items. The key matters covered over 2024 are detailed in the table (right).

As detailed further in the governance report on page 79, an external evaluation of the Board, including its various Committees, was also performed within the year. The results of this evaluation were generally positive, including alignment and agreement of the risk management framework to match the wider risk landscape as it evolves.

## Audit & Risk Committee composition and attendance

In line with the provisions of the UK Corporate Governance Code, the Committee is comprised exclusively of Non-Executive Directors. Paula Bell was appointed Chair of the Audit & Risk Committee from 1 October 2024 when Shirine Khoury-Haq stepped down from the Board. Paula Bell is an experienced Chair of Audit & Risk Committees and has recent and relevant financial experience appropriate to chair the Committee, demonstrated through her current role as Chief Financial & Operations Officer at Spirent Communications plc since 2016, extensive executive and not-executive experience in other listed businesses, and her Fellowship with the Chartered Institute of Management Accountants. The other Committee members, which have remained unchanged over the year, are Andrew Wyllie (appointed in January 2021) and Colette O'Shea (appointed in May 2024). Andrew and Colette provide a wealth of operational knowledge and industry experience, as outlined in detail in their biographies on pages 84 to 85. Collectively, the Committee maintains a broad and varied skillset which enables it to deliver a high quality of work in the interest of our shareholders and broader stakeholders.

In addition to the Committee members, the meetings of the Committee are attended by the Company Secretary, Group CFO, Group Financial Controller and Director of Internal Audit, as well as representatives from the external auditor. Within the year, and at the invitation of the Chair of the Committee, the Group CEO, other members of the Board, various senior managers and external speakers have also attended meetings, either in full or in part. During the first half year of 2024, before the Group CFO joined the Group, the Group CEO attended the meetings.

The Committee holds four scheduled meetings per year, with all members in attendance for each of these meetings within 2024. In addition, the Committee also held discussions separately and privately with the external auditor, the senior management team and the Director of Internal Audit.

## Activities of the Committee in 2024

The Committee's activities follow a well-established annual cycle, aligned with the Group's financial reporting calendar, designed to ensure an appropriate and timely oversight for audit planning and the other key actions of the Committee. The annual cycle is finalised in the Committee's March meeting, with the review of all year end reporting matters, including the assessment of areas of significant financial judgements, review of viability and going concern disclosures the assessment of the draft Annual Report and Accounts to ensure it is fair, balanced and understandable.

Theme	Activity	Mar 24	Apr 24	Aug 24	Dec 24	Mar 25
Corporate reporting	Review of Annual Report as fair, balanced and understandable	✓				✓
	Review of draft full year results, including viability and going concern assessments	✓				✓
	Review of draft TCFD reporting for the Annual Report	✓				✓
	Half-Year Statement review, including going concern assessment			✓		
External audit	Review of external audit report on full-year audit	✓				✓
	Private meeting with the Committee members	✓		✓		
	Review of external audit report on half-year audit			✓		
	Review of external auditor performance		✓			
	Fee structure review and approval			✓		
	Audit plan finalised and agreed				✓	
	Independence review				✓	
	Review of audit tender 2025 plan				✓	✓
	Review of proposal to appoint external auditor for assurance on carbon emissions reporting				✓	
Internal Audit	Review of the report of Group Internal Audit	✓	✓	✓	✓	✓
	Review and approval of Group Internal Audit Charter		✓			
	Update on changes to Global Internal Audit Standards	✓				
	Private meeting with the Director of Internal Audit			✓		
	Formal review of Group Internal Audit independence and effectiveness			✓		
	Approval of the 2025 annual Internal Audit plan, resourcing and development plans				✓	

## Audit & Risk Committee continued

### Audit & Risk Committee report continued

#### Activities of the Committee in 2024 continued

Theme	Activity	Mar 24	Apr 24	Aug 24	Dec 24	Mar 25
<b>Risk management and internal control</b>	Review of the overall effectiveness of risk management and internal controls	✓				✓
	Risk management and internal control update	✓	✓	✓	✓	✓
	Tax status report	✓		✓		
	Cyber security update from Group Chief Information Systems Officer (CISO)		✓			
	External economist update		✓			
	Legacy buildings progress report	✓	✓	✓	✓	✓
	Update on principal and emerging risks	✓	✓	✓	✓	✓
<b>Committee governance</b>	Review of Committee terms of reference	✓			✓	
	Review of Committee evaluation results				✓	
	Review of Committee plans for 2025				✓	

#### Priorities and main areas of activity during the year

##### 1 Corporate reporting

Ensuring the integrity and reliability of corporate reporting, including both financial and non-financial elements, has remained a primary consideration for the Committee within the year. This has including robust review and challenge of the Group's Annual Report, the Half-Year Report, going concern and viability assessments, and the associated regulatory announcements. Further details on the key areas of corporate reporting focus for the Committee are outlined below.

##### Significant financial judgements and issues reviewed in the financial year

The Committee has assessed the most significant financial judgements and issues affecting the Group's financial statements for 2024. These are outlined below:

Area of judgement	Risk factors	Procedures performed by the external auditor	Committee assessment and conclusion
<b>Revenue recognition</b>  The Group's revenue for 2024 was £3,201m. The analysis of total Group revenues is detailed further within note 5 to the financial statements.	Revenue recognition could be subject to misstatement in the event of cut off errors or potential management bias. This could adversely affect the income statement.	The accuracy of revenue and cut off controls is assessed using data analytics tools and detailed transactional testing, enabling tracing of recorded sales through to cash receipts and legal completion statements. Revenue from housing association sales is also assessed based on the terms of the relevant contracts.	Having reviewed the management controls over revenue recognition, and considered the assurance provided by the external auditor, the Committee is satisfied that the Group's revenues are reported accurately.



Area of judgement	Risk factors	Procedures performed by the external auditor	Committee assessment and conclusion
<b>Inventory valuation and profit recognition</b>  The carrying value of the Group's land at 31 December 2024 was £2,266m. Work in progress on site was held at £1,426m, and the cost of sales was £2,620m.	The carrying value of land and work in progress could be subject to impairment in the event that underlying estimates, such as those on market conditions and anticipated selling prices, prove to be inaccurate, or if market conditions were to deteriorate significantly.	External auditor challenge is provided through a range of procedures. These include process and control walkthroughs, review of the bi-monthly valuation controls, assessments of margin evolutions and historic margin forecasting accuracy, sensitivity analysis on low margin sites and a review of impairment risk on a sample of sites. These procedures are set out in detail in the Independent Auditor's Report on page 144.	The Committee has retained its close focus on understanding and challenging management's processes for monitoring land and work in progress valuations and profit recognition. In particular, the Committee has appraised the work of the Group Internal Audit department in this area, which has included routine transactional testing and an additional dedicated review of the valuation process within its 2024 plan. External audit materiality has remained at similar levels to 2023, resulted in an increased depth of testing, which has provided further assurance. Having reviewed the Group's inventory valuation and profit recognition controls, and the various sources of assurance on their effective operation, the Committee has concluded that the net realisable value of the Group's land and work in progress as held at 31 December 2024 was appropriate.

Area of judgement	Risk factors	Procedures performed by the external auditor	Committee assessment and conclusion
<b>Legacy buildings provision</b>  The Group has a provision for the cost of remediation works on legacy buildings. The value of this provision at 31 December 2024 was £235m.	The value of this provision could prove to be inaccurate if further legacy buildings were identified or brought within the scope of remediation. Cost forecasts which inform the value of the provision could also prove inaccurate as the remediation works are contracted and delivered.	The external auditor has assessed the Group's key processes and controls in relation to legacy buildings, and has challenged the basis for the scope of buildings covered by the provision. The basis for movements in management's provision schedule have been tested, and testing performed on expenditure to tie back to third party evidence. Further detail is provided in the Independent Auditor's Report on page 144.	The Committee received routine comprehensive reporting from management on the status of work on legacy buildings. This has included updates on the scope of affected buildings, the current and anticipated future cost of meeting the Group's obligations, and the basis on which the provision has been utilised, treated and disclosed within the financial statements. As a result of its review and challenge of management reporting, and its assessment of the external audit procedures, the Committee is satisfied that the carrying value of the provision is appropriate.
<b>Management override of controls</b>  The Group's financial statements include various judgemental accruals, provisions and manual journals.	Accounting estimates reliant upon judgements could be subject to manipulation in order to impact the financial statements.	Manual journals posted to significant risk areas were subject to testing to confirm the appropriate accounting treatment. The year on year movements in judgemental accruals were also assessed to identify accounting impact.	The Committee has assessed both the Group's existing control environment and management's plans to improve controls further, including enhanced automation to reduce the frequency of manual accounting entries. The Committee has also taken further assurance from the additional testing performed in this area in 2024, through both the Group Internal Audit department (and external co-source specialists) and as a result of lower audit materiality bringing a greater range of balances into scope for the external audit.



## Audit & Risk Committee continued

### Audit & Risk Committee report continued

#### Priorities and main areas of activity during the year continued

##### 1 Corporate reporting continued

###### Going concern and viability

The Committee has also reviewed the assessment and conclusion of management that the Group continues to be a going concern and that the financial statements should be prepared on a going concern basis. From its review of the Group's current financial position and factors including market conditions and access to funding facilities, as well as the review of the conclusions of the external auditor (as outlined in the Independent Auditor's Report on page 144), the Committee is satisfied that management's assessment is appropriate and has made recommendations to the Board to this effect.

The Group's Viability Statement, which is detailed further on pages 76 to 78, has also been subject to review and challenge by the Committee. The Group's approach to assessing viability is based upon a range of comprehensive stress testing scenarios, each of which focuses on the potential impact of severe disruption in the market for new homes over the short to medium-term. The basis of these scenarios, which assume substantial reductions in sales over a relatively short period, compounded by reduced average selling prices and impairments of asset values, has been reviewed and challenged by the Committee. Following these detailed assessments, the Committee has concurred with management's assessment that the Group will be able to meet its liabilities as they fall due and continue in operation over the five-year period to 31 December 2029.

##### Fair, balanced and understandable assessment

At the Committee's meeting in March 2025, and at the request of the Board, a draft version of the Group's 2024 Annual Report was assessed by the Committee to determine whether taken as a whole, it was fair, balanced and understandable. This included a review as to whether the Annual Report provided the necessary information to enable shareholders to assess the Group's position, performance, business model and strategy. The Committee's review of the 2024 Annual Report has considered a broad range of information, including the routine reporting it receives from the Group Finance function, senior management, the external auditor and the Group Internal Audit department. It has also assessed the underlying accounting policies and processes governing financial reporting, and the feedback and assurances from both operational teams and external advisors concerning quality of information and adherence to requirements under the Companies Act, the UK Corporate Governance Code 2018, Listing Rules and other relevant reporting regulations.

Following this review, the Committee has concluded that the 2024 Annual Report can be considered to be fair, balanced and understandable, and that it both accurately reflects the performance and position of the Group and meets the required expectations of shareholders.

##### 2 External audit

The Committee has provided its oversight duties on the Group's external audit provision with reference to the Audit Committees and the External Audit: Minimum Standard, published by the FRC in May 2023. Further detail on the key aspects of the oversight activities is outlined below.

##### External audit areas of focus and challenge

The Committee has engaged closely with the external auditor throughout the year. Reports from EY were provided ahead of each meeting, including a final report and presentation of the 2024 audit results for the Committee's meeting in March 2025. The Committee has reviewed these reports and provided constructive challenge through the year, with particular focus on the significant financial judgements outlined above, and risk areas such as management override of controls, impairment of goodwill and intangible assets, share-based payments, the closed sites provision and valuation of the Group's defined benefit pension scheme obligations. As noted above, the Committee has also reviewed EY's assessments of the Group as a going concern, its evaluation of the Viability Statement and its requirements as auditor to address the Board's application of the UK Corporate Governance Code 2018 (see Independent Auditor's Report on page 144).

##### Performance and effectiveness

Throughout the year, the Committee has remained focused on ensuring the provision of a high quality and effective external audit. The Committee has assessed this with reference to a range of sources. These include review of the delivery of the agreed audit plan, the quality of audit reporting (particularly in respect of key accounting judgements and estimates), demonstration of appropriate auditor scepticism and challenge, and outputs from the private meetings with the audit partner.

Feedback on auditor performance is also obtained from internal stakeholders. The primary mechanism for gathering this feedback is a comprehensive internal survey of those involved with the audit process, conducted shortly after the conclusion of the audit. This gathers input on several measures in line with FRC guidance, such as the mindset, culture, skills and knowledge of the external auditor team, as well as feedback on the efficiency and depth of the audit process. The results of the survey are consolidated and summarised for the Committee's review.

The formal annual review of the external auditor's performance and effectiveness was completed in a private session of the Committee after its April meeting. Informed by the factors outlined above, the Committee concluded that EY's performance and effectiveness, and the overall quality of the audit, continued to be of a good standard.

##### Auditor independence and fees

To ensure an appropriate professional scepticism in the work of the external auditor, the Committee monitors the independence and objectivity of the external auditor and lead partner on an ongoing basis, with a formal review annually. Auditor independence and objectivity are assessed through a range of measures as follows:

**Audit partner rotation:** The policy of the Group requires rotation of the audit partner at least every five years. The lead audit partner is Victoria Venning, who has held the role since April 2021.

**Auditor independence declarations:** Detailed independence confirmations are provided by the external auditor, prepared in line with the provisions of the FRC Ethical Standard and ISA (UK) 260 (Communication of audit matters with those charged with governance). This confirmation is formally reported to, and subject to the review and approval of the Committee.

**Private meetings with external audit:** The Committee has scheduled private meetings with the EY team, in which confirmation is sought that there has been no restriction in scope or other hindrance placed upon them.

**Non-audit services:** The Group has a defined policy on provision of non-audit services by the external auditor, which was most recently reviewed and updated in 2023. This policy restricts the nature of the works which the external auditor may perform, requires Committee pre-approval for non-audit services, and caps the aggregate amount of fees payable to the auditor for such services to a maximum of 70% of the average of audit fees in the prior three years. The policy serves to safeguard the independence and objectivity of the auditor, both in fact and appearance. Within 2024, the non-audit services provided by EY included audit related fees of £96,000 for their work on their review of the Group's 2024 Half-Year Report. EY also received payments of £72,500 and £5,000 for assurance work on carbon emission reporting and for the audit of the 2023 annual report of the Persimmon Charitable Foundation respectively. The fee paid to EY for its audit work for the 2024 financial year was £837,217, resulting in ratio of audit fees to non-audit fees for the year of 4.8:1.





The Committee remains satisfied that these measures have operated effectively in the year, and that the non-audit services provided were not sufficiently material to affect independence. As such, the Committee continues to consider that EY, and Victoria Venning as lead audit partner, remain both independent and objective.

### Overall assessment and reappointment of the external auditor

Following its review of the measures outlined above, the Committee has confirmed that EY continues to be effective, independent and objective, and that it is in the best interests of all stakeholders for EY to continue as the Group's external auditor. As such, the Committee has proposed that a Board resolution will be put forward at this year's AGM to reappoint EY for a further year.

### External audit tender

EY was first appointed as the Group's auditor in April 2016, following a competitive tender exercise involving three leading audit firms. Since the appointment of EY, the Company has complied with the provisions of The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014. The provisions of this Order will require the Group to re-tender the external auditor provision ahead of the full-year audit for 2026.

The Committee will lead an external audit tender process for the Group in early 2025. The process for managing the audit tender, which was agreed at the December 2024 meeting of the Committee, will be aligned to the FRC's guidance on audit tendering, including the requirements outlined within the FRC's Audit Committees and the External Audit: Minimum Standard. This will ensure a breadth of potential auditors, including 'challenger firms', are considered, and that the eventual appointment is determined based upon an appropriate range of quality criteria.

### 3 Risk management and internal control

The Committee has monitored the Group's systems of risk management and internal control and, on behalf of the Board, has assessed their overall effectiveness. The key aspects of these systems, and the Committee's role in monitoring them within the year, were as follows:

#### Assessment of principal and emerging risks

The Committee supports the Board in fulfilling its duties under the UK Corporate Governance Code 2018 by assessing the principal and emerging risks facing the Group. This assessment is informed by routine reporting on principal and emerging risks trends presented at each meeting, and review of a formal risk review exercise facilitated annually by the Group Internal Audit (detailed further on pages 70 to 75). The external audit team also provides its views based on its experience in the industry and across other sectors. The conclusions of the annual assessment were reported to the Board following the Committee's December meeting.

#### Risk management

The Group maintains a comprehensive suite of risk registers, detailing assessments of risk and management controls for both operational activities and Group-level functions. The risk registers in their entirety are updated on an annual basis, with individual updates made continuously in response to the work of the Group Internal Audit department or at the request of risk owners. On a periodic basis, the full suite of risk registers, including details of material changes in content, is presented to the Committee.

Within 2024, and in line with an action plan agreed in the prior year, the Committee has overseen various improvements made by management to the Group's overall risk management framework. This has included formalising the Group's classifications and assessment criteria for risk, updating the Group's risk appetite, and delivery of improved principal and emerging risk reporting to the Committee. The delivery of these improvements has been underpinned by the establishment of the Group's Management Risk Committee, further details on which are provided on pages 70 to 75.

#### Internal control

Systems of internal control within the Group are well established and based around the 'three lines' model as detailed on pages 70 to 75, supported by standardisation where possible through IT controls and management oversight. The control environment is routinely updated and strengthened in response to various mechanisms, including increased automation of

previously manual processes and improvement actions driven by recommendations from both Group Internal Control and Group Internal Audit.

The enhanced provisions on internal control within the UK Corporate Governance Code, which take effect from January 2026, have been reviewed by the Committee, along with management's action plans to ensure preparedness. This has included an assessment of how the Group will define the 'material controls' for which the Board will have to make declarations on effectiveness. The Committee continues to receive routine reporting at each of its meetings on the delivery of management's action plans to strengthen the Group's overall control environment, including its material controls. This will continue to be an area of regular engagement from the Committee within 2025.

### Anti-fraud and anti-bribery measures

The Committee is responsible for reviewing the Group's procedures for preventing and detecting fraud and other inappropriate behaviours, such as bribery or corruption, particularly where these could result in an adverse financial impact for the Group. Any instances or suspicions of fraud are reported directly to the Director of Internal Audit, typically via the Group's whistleblowing arrangements (see below). Where reports of suspected fraud, bribery or corruption are received, they are treated with confidentiality and thoroughly reviewed and assessed. Details of all such assessments are reported to the Committee. During 2024, the Committee's work in this area included the review of a Group Internal Audit report on the Group's fraud and bribery risk register, including testing to provide assurance on the effective operation of a various mitigating controls and training regimes for key areas of risk. The Committee has satisfied itself that there were no material instances of fraud, bribery or corruption identified within the year.

### Whistleblowing

The Group has a defined Whistleblowing Policy and procedure, which is communicated proactively to the workforce through posters and the intranet. In line with the requirements of the UK Corporate Governance Code 2018, the whistleblowing provision enables any member of the workforce to raise concerns, anonymously if necessary, and through a range of media available at all times. The Chair of the Audit & Risk Committee is the Group's Whistleblowing Champion, acting as an independent sponsor of the Group's overall whistleblowing provision. Operationally, the Group Internal Audit department manages the whistleblowing process as an independent function.



## Audit & Risk Committee continued

### Audit & Risk Committee report continued

#### Priorities and main areas of activity during the year continued

##### ③ Risk management and internal control continued

###### Whistleblowing continued

This includes the review and triage of all incoming whistleblowing reports, conduct of investigations where necessary, and provision of detailed reporting to the Committee on all reports received, including any underlying themes or trends to the reports. The Group has continued to benefit from its partnership with the whistleblowing charity, Protect, which has provided access to benchmarking, good practice guidance and training courses. The Committee has reviewed the Group's whistleblowing arrangements and remains satisfied that these are appropriate and effective. In the small number of cases where whistleblowing investigations have identified issues of misconduct, or areas of control weakness, the Committee has been apprised of these and the resulting recommendations and management action plans.

##### Reviewing the effectiveness of risk management and internal control

The Committee has processes in place to review the Group's internal control and risk management systems both on a routine, continuous basis, and with a formal annual assessment.

On a routine basis, the Committee receives information on risk management and internal control from various internal and external sources. At each meeting, the Committee receives updates on the evolution of the Group's principal and emerging risks, progress from Group Internal Control on the enhancement of the control environment, and updates on legacy building work (as a principal risk consideration). The Committee also receives assurance work delivered through both the external auditor and the Group Internal Audit department. In addition to its routine business, over the course of 2024, the Committee has received further reporting from management on controls relating to cyber risk and the Group's tax arrangements, and an external appraisal of the UK economic outlook.

On an annual basis, the Committee performs a formal assessment of risk management and internal control on behalf of the Board. The annual assessment is informed by an independent summary produced by the Director of Internal Audit, which draws upon FRC guidance, an analysis of audit findings through the year, assurance activities on principal risks, and feedback obtained from formal representations made by the senior management and Finance teams on the commitment to Group standards of behaviour (such as the management

of conflicts of interest). The 2024 assessment concluded that the Group's material financial and operational controls were operating effectively in all key respects, but recognised a continued dependence on manual controls in some core processes, and reliance on the detective controls delivered through the valuation process. The Board has recognised these improvement areas, with various workstreams underway to drive improved automation and strengthening of the control environment. Following its processes of continuous review and consideration of the annual summary report, the Committee has concluded that the Group's systems of risk management and internal control, including material controls, continue to be broadly effective and appropriate.

##### ④ Monitoring the Group Internal Audit department

The Group Internal Audit department plays a key role in the provision of independent and objective assurance to the Board, while also supporting management advisory work to drive process and efficiency improvements. The function is led by the Director of Internal Audit who reports jointly to the Group CFO and, to maintain independence, the Chair of the Committee.

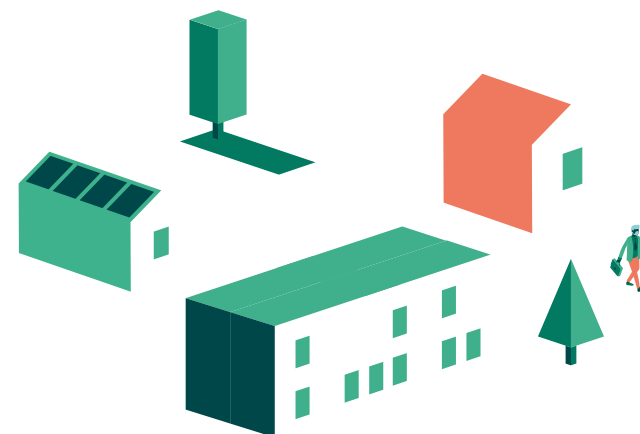
The department's annual plan is developed by the Director of Internal Audit, based on a range of considerations such as principal risk coverage, standing items, management requests and entity coverage. This plan is then subject to various stages of management review, including consultation with our co-source internal audit providers, before being presented to the Committee for final review and approval. The 2024 plan was broadened to incorporate discrete audit plans for construction and health, safety and environmental (HS&E) matters. Core Internal Audit activities included reviews on key areas of the Group's operations, as well as aspects of compliance, non-financial reporting and IT controls.

The Committee received and considered reports from the Director of Internal Audit who attends all meetings of the Committee, presenting detailed reporting to cover the results and findings of all completed internal audits, against the agreed work programme, the follow-up status of agreed actions, audit performance indicators and the status of the department development plan. The Group Internal Audit department satisfactorily delivered on its agreed audit plan for 2024, which was flexed to include additional requests from Board and management at various points through the year.

The Committee reviews and approves the Group Internal Audit department's resourcing and mandate. Within 2024 the Committee has overseen an expansion of routine activities of the Group Internal Audit department, through the provision of specialists in both construction and health and safety to support the broader-based Internal Audit plans detailed above.

In line with its terms of reference and the requirements of the UK Corporate Governance Code 2018, the Committee has reviewed and satisfied itself of the continued effectiveness and independence of the Group Internal Audit department. The 2024 review process was informed by a range of factors, including reference to the department's positive External Quality Assessment ('EQA') of 2023, and the subsequent progress in addressing the small number of actions which this highlighted. In line with the requirements of the Chartered Institute of Internal Auditor's Internal Audit Code of Practice, as the Director of Internal Audit has been in post for seven years, the Committee has also formally assessed and confirmed the continued independence of this role.

Overall, progress was noticeable across the Group in driving a stronger control environment. Looking forward, the department's 2025 plan has been reviewed and approved by the Committee. The plan has been further developed to include additional focus on operating company controls reviews, alongside the regular thematic audits conducted by the department.





## Other disclosures

**Persimmon Plc (the ‘Company’) is the holding company of the Persimmon Group of companies (the ‘Group’) and is a public company listed in the UK and traded on the London Stock Exchange.**

The Group’s main trading companies are Persimmon Homes Limited and Charles Church Developments Limited. The Group trades under the brand names of Persimmon Homes, Charles Church, Westbury Partnerships, Space4 and FibreNest.

The subsidiary undertakings which principally affect the profits and assets of the Group are listed in note 32 to the financial statements. A complete list of the Company’s subsidiaries and residents’ management companies under its control is contained on pages 181 to 194.

### Strategic report

The management report for the purposes of the Disclosure Guidance and Transparency Rule 4.1.8.R is included in the Strategic Report on pages 01 to 78 and in the Directors’ Report on pages 79 to 117. A description of the Group’s future prospects, research and development, the principal risks and uncertainties facing the business and important events affecting the Group since 31 December 2024 are contained within the Strategic Report. Details of the financial risk management objectives and policies of the Group and associated risk exposure are given in note 23 to the financial statements.

The Board has taken advantage of s.414C(11) of the Companies Act 2006 to include disclosures in the Strategic Report including: the principal risks and uncertainties, future development, performance and position of the Group; the financial position of the Group, greenhouse gas emissions, R&D activities, and engagement with employees, customers, suppliers and other stakeholders.

### Results and return of cash

The Group’s revenue for 2024 was £3,200.7m and its consolidated profit before taxation was £359.1m.

The Company may by ordinary resolution declare dividends not exceeding the amount recommended by Directors subject to statute. The Directors may pay interim dividends and any fixed rate dividend whenever the financial position of the Company, in the opinion of the Directors, justifies its payment.

All dividends and interest shall be paid (subject to any lien of the Company) to those members whose names are on the register of members on the record date, notwithstanding any subsequent transfer or transmission of shares.

The Board has recommended the payment of a final dividend of 40p per ordinary share for the year ended 31 December 2024, to be paid on 11 July 2025 to shareholders on the register on 20 June 2025, following shareholder approval at the AGM. This is in addition to the interim dividend of 20p per share, paid on 8 November 2024, to give a total dividend per share of 60p in respect of the 2024 financial year.

### Going concern

After completing a full review, the Directors have satisfied themselves that the going concern basis for the preparation of the accounts continues to be appropriate and there are no material uncertainties to the Group’s and Company’s ability to continue in operation and meet its liabilities for the period up to 30 June 2026.

» Further details are provided in note 2 to the Financial Statements

### Directors and Directors’ interests

The current Directors of the Company and their biographical details are shown on pages 84 and 85. Information on the Executive Directors’ service contracts and the Non-Executive Directors’ letters of appointment are given in the Remuneration Report on page 130. All of the Directors served for the whole of the year, with the exception of Shirine Khoury-Haq, who left the Board on 30 September 2024; Andrew Duxbury, Paula Bell and Anand Aithal who were appointed to the Board on 17 June 2024, 1 September 2024 and 1 January 2025, respectively. The beneficial and non-beneficial interests of the Directors and their connected persons in the shares of the Company at 31 December 2024 and as at the date of this report are disclosed in the Remuneration Report on page 132. Details of the interests of the Executive Directors in share options and awards of shares can be found on page 131 within the same report.

### Appointment and replacement of Directors

The Directors shall be no less than two and no more than fifteen in number. Directors may be appointed by the Company by ordinary resolution or by the Board of Directors. A Director appointed by the Board of Directors holds office until the next following AGM and is then eligible for election by the shareholders. The Company may by special resolution remove any Director before the expiration of their term of office.

In accordance with the UK Corporate Governance Code 2024 the Board has determined that all Directors will be subject to annual re-election by shareholders. The Company’s Articles of Association (‘the Articles’) provide that at each AGM at least one third of the Directors shall retire from office and shall be eligible for reappointment and therefore each Director shall retire from office and shall be eligible for reappointment at the AGM held in the third year following their last reappointment.

### Powers of the Directors

The business of the Company shall be managed by the Directors who may exercise all powers of the Company, subject to the Articles, the Companies Act 2006 and any directions given in general meetings. In particular, the Directors may exercise all the powers of the Company to borrow money, issue and buy back shares with the authority of shareholders, appoint and remove Directors and recommend and declare dividends.

### Capital structure

The following description summarises certain provisions of the Articles and the Companies Act 2006. This is only a summary and the relevant provisions of the Companies Act 2006 and the Articles should be consulted if further information is required. A copy of the Articles may be obtained by writing to the Company Secretary at the registered office.

Amendments to the Articles of the Company may be made by way of special resolution in accordance with the provisions of the Companies Act 2006.

### Share capital

The Company has one class of share in issue, being ordinary shares with a nominal value of 10p each, which carry no right to fixed income. During 2024, 493,452 ordinary shares were issued with a nominal value of £49,345 to employees exercising share options. The Company received consideration of £52,368 for options exercised under the Group’s savings-related share option scheme. At 31 December 2024 the issued share capital of the Company was 319,914,868 ordinary shares with a nominal value of £31,991,487. At 10 March 2025 the issued share capital of the Company was 319,915,905 ordinary shares with a nominal value of £31,991,591. Further details are provided in note 25 to the financial statements.



## Other disclosures continued

### Share capital continued

Shares may be issued with such preferred, deferred or other rights or restrictions, whether in regard to dividend, return of capital, or voting or otherwise, as the Company may from time to time by ordinary resolution determine (or failing such determination as the Directors may decide), subject to the provisions of the Companies Act 2006 and other shareholders' rights.

There are no securities carrying special rights with regard to control of the Company.

The Directors may allot, grant options over, or otherwise dispose of shares in the Company to such persons (including the Directors themselves) at such times and on such terms as the Directors may think proper, subject to the Articles, the Companies Act 2006 and shareholders' rights. At the AGM held on 25 April 2024 shareholders gave Directors authority to allot ordinary shares up to a maximum nominal amount of £10,647,543, representing approximately one third of the Company's issued share capital as at 11 March 2024. Shareholders also gave Directors authority to disapply pre-emption rights on the issue of shares up to 10% of the issued share capital, being an aggregate nominal amount of £3,194,262. Plus the additional power to disapply pre-emption rights on the issue of shares up to a further 2% of the issued share capital, with such power to be used only for the purposes of making a follow-on offer. In addition, shareholders gave Directors authority to disapply pre-emption rights on the issue of shares up to further 10% of the issued share capital, being an aggregate nominal amount of £3,194,262, in connection with an acquisition or specified capital investment, with the additional power to disapply pre-emption rights on the issue of shares up to a further 2% of the issued share capital, with such power to be used only for the purposes of making a follow-on offer. These authorities, which are consistent with the Pre-Emption Group's 2022 Statement of Principles on Disapplying Pre-emption Rights, will expire at the conclusion of the AGM on 1 May 2025. Resolutions to renew these authorities will be put to shareholders at the forthcoming AGM.

### Votes of members

All issued shares in the Company are fully paid and there are no restrictions on voting rights. Votes may be exercised in person, by proxy, or in relation to corporate members by a corporate representative. The deadline for delivering either written or electronic proxy forms is not less than 48 hours before the time for holding the meeting.

To attend and vote at a meeting a shareholder must be entered on the register of members at a time that is not more than 48 hours before the time of the meeting, calculated using business days only.

On a vote on a poll, each member present in person or by proxy or by duly authorised representative has one vote for each share held by the member. On a vote on a show of hands, each member being an individual present in person or a duly authorised representative of a corporation has one vote. Each proxy present in person who has been appointed by one member entitled to vote on a resolution has one vote. If a proxy has been appointed by more than one member and has been given the same voting instructions by those members, the proxy has one vote.

If the proxy has been appointed by more than one member and has been given conflicting instructions, or instructions to vote for or against by one member and discretion by another, the proxy has one vote for and one vote against a resolution.

Details of employee share schemes are set out in note 30 of the financial statements. The Trustee of the Persimmon Employee Benefit Trust may vote or abstain on shareholder resolutions as it sees fit.

### Transfer of shares

There are no restrictions on the transfer of securities in the Company. Any member may transfer their shares in writing in any usual or common form or in any other form acceptable to the Directors and permitted by the Companies Act 2006 and the UK Listing Authority. The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of shares or that may result in restrictions on voting rights.

### Qualifying third party indemnity provisions and qualifying pension scheme indemnity provisions

The Company has granted an indemnity in favour of its Directors and former Directors, against liability that they may incur in the course of performing their duties as Directors of the Company. The indemnity has been put in place in accordance with section 234 of the Companies Act 2006 and remained in force on the date of approval of this report. Prior to granting the indemnity appropriate legal advice was sought by the Company.

The Company has not issued any qualifying pension scheme indemnity provision.

### Change of control provisions

One significant agreement contains provisions entitling counterparties to exercise termination or other rights in the event of a change of control of the Company. Under the £700m Revolving Credit Facility for Persimmon Plc dated 6 July 2023 as disclosed in note 23 of the financial statements, all amounts become due and payable under the terms of the facility if any person or group of persons acting in concert gains control of the Company.

### Emissions

The Group's greenhouse gas emissions are set out in the Strategic Report on page 39.

### Employee involvement

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them and on various financial and economic factors affecting the performance of the Group. The Group has introduced regular online communications to employees to keep them updated, with a wide range of content including updates on the Group's operations and financial performance, announcements about new initiatives and introductions to key colleagues; In addition, the Group has introduced divisional communications, enabling the Regional Chairs to speak to their teams via quarterly updates. These together with a number of functional webinars, for example, a quarterly site managers' webinar, means that we are connecting senior leaders directly with employees and giving them the opportunity to ask questions and receive real-time responses.

As mentioned on pages 54 and 90 of this report, the Group has an Employee Engagement Panel, which is attended by our designated Workforce Non-Executive Director. This allows employees to receive information on Board activities and to ask questions. The designated Workforce Non-Executive Director gives updates on the Employee Engagement Panel to the Board.

There is also a Diversity & Inclusion Council and a Diversity and Inclusion Working Group, which are part of the Group's commitment to employee engagement, diversity and corporate governance best practice. The Company regularly updates its employment policies, to which all employees have online access through the HR Information System, to keep them up-to-date with information relating to their employment. Details of how we engage with our employees are set out on page 54.

The Company makes various benefit schemes available to employees, including a savings-related share option scheme which encourages the awareness and involvement of employees in the Group's performance. All employees are encouraged to participate.



## Equal opportunities

Persimmon is an equal opportunities employer. We are committed to equality, diversity and inclusion among our workforce and eliminating unlawful discrimination. Our aim is for our workforce to be truly representative of all sections of society and our customers, and for each employee to feel respected and able to give their best.

Persimmon is committed to being inclusive for individuals with disabilities, and will support candidates and employees with adjustments to assist them to perform at their best and fulfil their potential.

The Group policy is to ensure equal opportunities for all employees across training, career development and promotion without discrimination and to apply fair and equitable policies which seek to promote entry into and progression within the Group. Appointments are determined solely by application of job criteria, personal ability and competency regardless of race, colour, nationality, ethnic origin, religion or belief, gender, sexual orientation, political beliefs, marital or civil partnership status, age, pregnancy or maternity, or disability. Applications for employment by disabled persons are always fully considered, with appropriate regard to the aptitude and abilities of the person concerned. In the event of any employee becoming disabled, every effort is made to ensure that their employment with the Group continues, that appropriate training is arranged and any reasonable adjustments are made to their working environment. It is the Group's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

## Financial instruments

Details of the Group's financial instruments are set out in note 23 to the financial statements.

## Acquisition of own shares

At the AGM held on 25 April 2024 shareholders granted the Company authority to purchase up to an aggregate of 31,942,629 of its own shares. No shares have been purchased to date under this authority and therefore at 31 December 2024 the authority remained outstanding. This authority expires on 1 May 2025 and a resolution to renew the authority will be put to shareholders at the forthcoming AGM.

At 31 December 2024 the Company held no shares in treasury.

## Annual General Meeting

The AGM will commence at 11.00 am on 1 May 2025 at York Racecourse, Knavesmire Road, York, YO23 1EX. The Notice of Meeting and an explanation of the ordinary and special business are given in the AGM circular, which is available on the Company's website and which will be sent to shareholders in March 2025.

## Disclosure of information to auditors

The Directors who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and that each Director has taken all steps he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

## Listing Rule Disclosures

There are no disclosures to be made under Listing Rule 6.6. As at 31 December 2024 and as at 10 March 2025, the Company had been notified under the Financial Conduct Authority's Disclosure Guidance and Transparency Rule 5 of the following interests in the voting rights of the Company:

Name	As at 31 December 2024		As at 10 March 2025		Nature of holding
	Number of voting rights <sup>1</sup>	% of total voting rights	Number of voting rights <sup>1</sup>	% of total voting rights	
Norges Bank	9,652,550	3.02	<b>9,652,550</b>	<b>3.02</b>	<b>Direct</b>
Black Rock Inc	31,789,814	9.93	<b>Below 5%</b>	<b>Below 5%</b>	<b>Indirect</b>

1. Represents the number of voting rights last notified to the Company by the shareholder in accordance with D.T.R.5.1.

## Directors' responsibility

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations. The Directors consider that the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. The Board reached this conclusion after receiving advice from the Audit & Risk Committee.

» Further details are provided on page 143

By order of the Board

**Tracy Davison**  
**Company Secretary**  
 10 March 2025  
 Persimmon Plc

Company registration number: 1818486





## Remuneration

# Committee Chair's statement



**Persimmon has performed well through 2024 and is well positioned for the future. I believe the 2024 remuneration outcomes reflect the Group's performance and represent a fair and reasonable balance of the interests of all stakeholders.**

**Annemarie Durbin**  
Chair of the Remuneration Committee



### Remuneration Committee members and meeting attendance 2024

	Scheduled meetings attended	Percentage of meetings attended
Annemarie Durbin (Chair)	3/3	100%
Nigel Mills	3/3	100%
Alex Depledge	3/3	100%

**We believe that our approach to remuneration for the senior leaders and the broader workforce is aligned to our strategy to build high quality affordable homes for our customers.**

### Our focus and approach in 2024

The Group continued to successfully navigate the challenging market conditions in 2024, retaining our focus on cost control and efficiency, and is well positioned for the future. This is supported by the land and planning investment we have made in recent years, our vertical integration capabilities and our excellent teams. This investment, coupled with the Government's ambitious planning reforms which demand more of the high-quality, affordable homes which are Persimmon's core strength, supports our growth ambitions in the medium-term.

The Board was satisfied with the financial performance in the period. Our profit and cash generation and returns to shareholders are described in the Group Chief Executive's Statement on pages 11 to 13.

The CEO, CFO and, indeed, all of our colleagues, have worked exceptionally hard to deliver these results in a difficult environment.

It is particularly pleasing that the Group's robust financial performance has been delivered whilst remaining focused on building quality homes, delivering high levels of customer care and maintaining high standards of health, safety and wellbeing for our customers, our workforce and the communities in which we operate.

In particular:

- Our focus on the quality of our homes and our customer care has continued and we're delighted that we have retained our five- star HBF rating, our eight-week score under the HBF 'Recommend a Friend' survey has further improved to 96%. We have also delivered significant improvement in our quality scores. Given our strategic focus on quality and customer care, we continue to use these as performance measures for the annual bonus and PSP. Details of the outturns for 2024 are set out on pages 126 to 128.
  - We continued our use of an environmental target for the 2024 PSP awards based on our Science Based Targets for Scope 1 and Scope 2 emissions reduction, and will follow the same approach for our 2025 PSP awards. Further details can be found on page 137. This supports the achievement of our long-term sustainability target and reflects the continued importance of sustainability to Persimmon.
  - Over the last year the Persimmon Community Champions scheme, together with Regional charitable donations, has donated over £905,000 to more than 350 local charities, sports clubs and community groups.
- The Committee has been very mindful of the impact of continuing cost of living pressures on our workforce and our communities. In this context we were pleased to see a number of enhancements being implemented for the broader workforce. These included:
- implementing the Real Living Wage increases in Spring 2024 ahead of the required May 2024 timeline, as part of our accreditation as a Living Wage employer;
  - a pay review for the wider workforce of 3%; and
  - continuing to enhance and modernise our benefits offering, including agreeing an increase to the holiday entitlement for our weekly-paid colleagues.





## New Chief Financial Officer remuneration

We are delighted that Andrew Duxbury joined the business on 17 June. Details of his ongoing remuneration were disclosed in the 2023 Directors' Remuneration Report and can also be found on page 121. As disclosed in 2023, a number of buy-out awards were granted to replace remuneration which was forfeited when he left his previous role. Details are set out on page 130.

## 2024 Remuneration outcomes

When considering the outturns, the Committee has assessed performance relative to the targets and objectives set for both short and longer-term remuneration. The Committee is focused on setting appropriately stretching targets for the annual bonus and the PSP across a range of key metrics which are in line with our business strategy and support the delivery of our five key priorities. When considering whether to exercise any discretion a holistic view has been taken by the Committee including consideration of the employee and wider stakeholder experience, in addition to assessing the formulaic outturns. The targets were set based on our business plan and reflecting the continuation of a difficult macro-economic backdrop, while still positioning the Group for growth. The Committee is satisfied that the outturns reflect the wider performance of the Group and no discretion has been exercised.

As regards alignment with the overall performance of the business, the outturns reflect that, over the course of the year, disciplined cost control has continued to be a core focus, prioritising margin protection and cash generation, whilst still growing outlets and investing in work in progress and the land bank in a disciplined and value adding way. This responsible delivery by management in 2024 is reflected in our strong net margin performance in a challenging market and the overall experience of shareholders, for whom the dividend for 2024 has been maintained.

The annual bonus opportunity for the Group Chief Executive and Chief Financial Officer (from date of joining) was based on a mix of financial metrics (60%) and ESG/cultural metrics (40%). Reflecting the performance which has been delivered in a challenging year, as set out on page 121 the annual bonus outcome for the Group Chief Executive and Chief Financial Officer was 88.74% of maximum (177.49% and 133.12% of salary respectively). Half of the bonus earned by Executive Directors is paid in cash with half deferred into shares for three years. Details of the outturns relative to the measures set are set out on pages 127 and 128.

208 employees (including the Group Chief Executive) hold PSP awards which were granted in 2022 and which vest by reference to performance over the three years ended 31 December 2024. Reflecting our delivery of high levels of customer care in a challenging economic environment, the awards will vest at 20% of the maximum. For the Group Chief Executive and senior management the vested shares will be subject to a two year holding period before they are released to the participants. Further details are provided on page 128.

Having considered the relevant factors including the share price at grant and vesting the Committee is satisfied that no windfall gains occurred in respect of the 2022 PSP awards, and no adjustments have been made.

The normal effective date for salary increases for Executive Directors is 1 July, in line with other employees.

As disclosed in the 2023 remuneration report the CEO's salary remained unchanged in 2023 as implementation of the agreed increase was deferred until 1 January 2024 due to the difficult trading conditions. Therefore, from 1 January 2024, his salary increased by 5%, reflecting the aggregate increase awarded to the wider workforce of 3% in July 2023 and 2% in January 2024.

## 2025 Implementation

### Salary

The salary increase for the wider workforce agreed in July 2024 was 3%, and the CEO's salary increased in line with this to £807,611.

The CEO's and CFO's salaries will be reviewed in July 2025. Any increases for 2025 will be made in the context of the increase given to the wider workforce. When finalising our approach, we will have regard to all of the circumstances, including the impact of any Executive Director salary increases on their total remuneration opportunities. We will confirm any changes to the Executive Directors' salaries in the 2025 Directors' Remuneration Report.

### Annual bonus

The maximum bonus quantum for will remain at 200% of salary for Dean Finch and 150% of salary (less than the Policy maximum of 175%) for Andrew Duxbury.

The overall performance metrics applying to both Executive Directors for 2025 remain the same as in 2024. 60% of the bonus remains subject to financial performance (profit before tax is 40% and cash generation 20%). The cultural metrics are customer care (15%), build quality (20%) and health and safety (5%). The change in the HBF methodology for a five-star rating means that there is no longer a need to have separate measures for the eight-week and nine-month scores. Therefore, for 2025 we have reduced the customer care weighting from 20% to 15% with a corresponding increase in the build quality weighting from 15% to 20% which reflects the increased impact of quality on the five-star rating. Further details are set out on page 136.

The financial targets are commercially sensitive and therefore will be disclosed in the 2025 Remuneration Report. Delivery of a stretching target level of performance will result in the Executive Director receiving 50% of the maximum award. Vesting is at 20% of the maximum for threshold performance.

### PSP

The maximum PSP award for each Executive Director will remain at 200% of salary. An additional financial metric based on EPS will be included for 2025, although the overall weighting on financial metrics (70%) will remain the same. The addition of an EPS metric is aligned to our growth ambitions, which is a key strategic aim, in addition to being a metric that is focused on by our shareholders. The metrics are:

Metric	Weighting (%)
Relative TSR	23
Cash generation	24
Earnings per Share	23
Environmental	10
Cultural metric	20

The cultural metric will be based on the HBF customer satisfaction score calculated on the new methodology used for the five-star rating.

The TSR peer group for the 2025 award will remain the same as in 2024, namely companies comprising the FTSE 51-100 (excluding financial services), plus any of the major housebuilders who do not fall into this group. Further details of the metrics can be found on page 137.



## Remuneration continued

### Committee Chair's statement continued

The Board believes in the importance of ESG and cultural metrics and this is reflected in our use of customer care and quality in the annual bonus and PSP, and the incorporation of a clear and measurable environmental target in the PSP. We have reviewed our environmental target and weighting and believe that, given the sector in which we operate, this remains a key focus for the Group as part of our strategy to deliver long-term sustainable value for shareholders and our wider stakeholders.

The Committee considers that the overall executive remuneration approach is fair, balanced and reasonable taking into account the interests of all stakeholders.

#### Non-Executive Directors

Information in relation to the approach to Non-Executive Director fees is set out on page 127. The Committee determines the Chair's fee and the Board determines the Non-Executive Directors' fees.

The Chair and Non-Executive Director fees are reviewed annually in July. In July 2023, as disclosed in the Directors' Remuneration Report 2023, all fee increases were deferred until 1 January 2024. At this time the Chair fee increased by 5% and the fee for other Non-Executive Directors increased by 3%. In July 2024, in line with the wider workforce, fees were reviewed and increased by 3% for the Chair and other Non-Executive Directors.

#### Looking ahead – key focus areas for the Committee for 2025

Our Directors' Remuneration Policy was approved by our shareholders at the April 2023 AGM, with a vote in favour of more than 98%. During the course of 2025 we will be reviewing our Policy, ahead of its renewal at the April 2026 AGM, to ensure that it continues to support our strategic priorities and provides an appropriate level of reward to attract and retain high-calibre individuals in an increasingly competitive market. We will engage with stakeholders during 2025 as we develop and finalise our proposals.

Market conditions are expected to remain muted throughout 2025. We will continue to monitor the operation of the Policy to ensure that targets remain relevant and stretching and that it provides an appropriate level of reward to attract and retain high calibre individuals in a very competitive market. We will continue to consider the experiences of the wider workforce, our shareholders and other stakeholders and to remunerate Executives fairly and responsibly.

We remain committed to a responsible approach to executive pay, as I hope this Directors' Remuneration Report demonstrates. We believe the Policy operated as intended and consider that the remuneration the Executive Directors received in 2024 is appropriate, taking into account Group performance, personal performance, and the experience of shareholders, employees, and our customers.

We have continued to engage with shareholders during the year as appropriate and, as always, I am happy to meet or speak with shareholders if there are any questions or feedback on our approach to Executive remuneration. I hope that we will earn your support at the forthcoming AGM.

**Annemarie Durbin**  
Chair of the Remuneration Committee  
10 March 2025





# At a glance

## 2024 actual remuneration

	CEO Dean Finch	CFO Andrew Duxbury**
<b>Salary</b>	£807,611 *	£530,000
<b>Pension/salary supplement</b>	9% of salary in line with wider workforce	9% of salary in line with wider workforce
<b>Annual Bonus maximum opportunity</b>	200% of salary	150% of salary
<b>PSP maximum opportunity</b>	200% of salary	200% of salary
<b>Single Figure Total for 2024</b>	£2,550,366	£2,309,313

\* Salary as at 1 July 2024

\*\* From date of joining

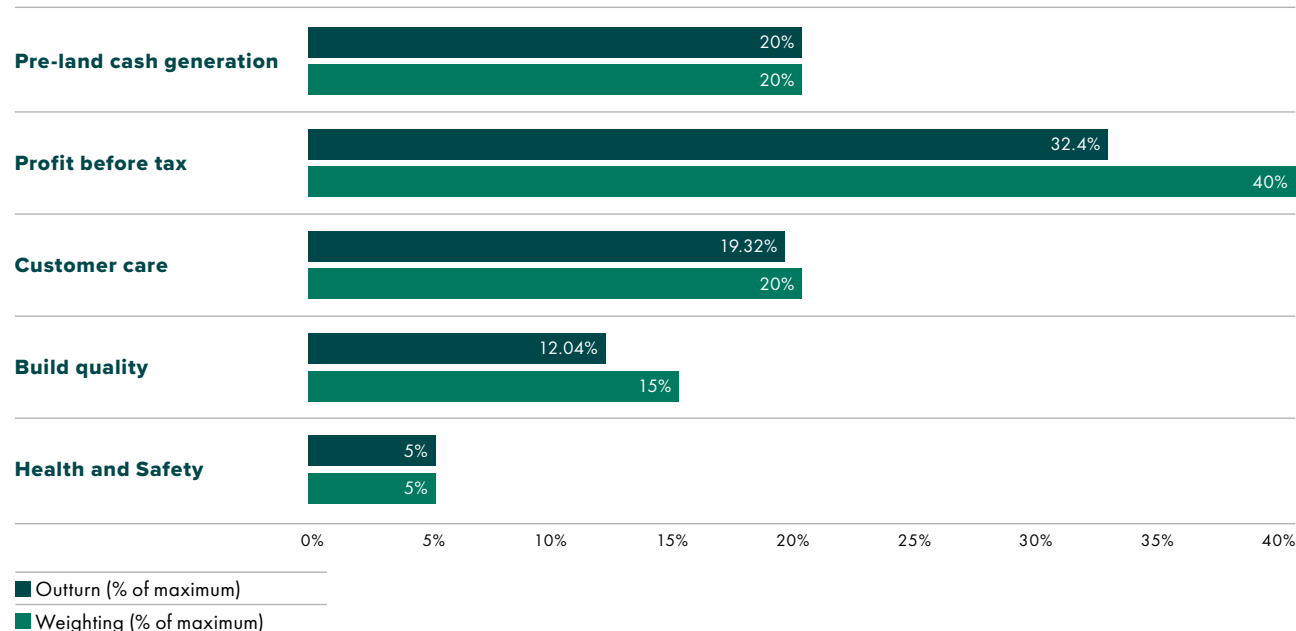
## Implementation in 2025

	CEO Dean Finch	CFO Andrew Duxbury
<b>Salary</b>	£807,611	£530,000
<b>Pension/salary supplement</b>	9% of salary in line with wider workforce	9% of salary in line with wider workforce
<b>Annual Bonus maximum opportunity</b>	200% of salary	150% of salary
<b>PSP Maximum opportunity</b>	200% of salary	200% of salary

## 2024 variable pay outturns

### Annual bonus earned for 2024

Reflecting successful navigation of the challenging market conditions the annual bonus outcome for the CEO and CFO was 88.74% of maximum (177.49% of salary for the CEO and 133.12% of salary for the CFO). 50% of the bonus earned will be deferred into shares for three years.



### Performance Share Plan

Dean Finch received a PSP award in 2022. Based on performance over 2022-2024 the award has vested at 20%. A further two-year holding period will apply to the vested shares.



## Remuneration continued

### At a glance continued

#### Alignment to key priorities

##### Build quality and safety

- Customer care and quality metrics are included as performance conditions for annual and long-term incentives.
- A specific health and safety metric is included in the annual bonus.
- Failure of acceptable health and safety standards is explicitly included in recovery provisions for annual and long-term incentives.

##### Reinforcing trust: customers at the heart of our business

- Customer care metrics are included in both our annual and long-term incentives.

##### Disciplined growth: high quality investment

- Financial metrics included as performance conditions for incentives:
  - profit before tax;
  - pre-land cash generation;
  - total shareholder return; and
  - earnings per share (for 2025).

##### Industry-leading financial performance

- Financial metrics included as performance conditions for incentives:
  - profit before tax;
  - pre-land cash generation;
  - total shareholder return; and
  - earnings per share (for 2025).

##### Supporting sustainable communities

- Environmental metrics are included in our incentives.

» Discover more at [www.persimmonhomes.com/corporate](http://www.persimmonhomes.com/corporate)

#### Our wider workforce and communities

All permanent salaried employees are eligible to participate in a bonus or commission scheme.

A total base pay increase of 3% was implemented for the wider workforce effective in July 2024.

Persimmon is a Living Wage Foundation accredited employer.

No. of employees participating in SAYE

1,916

During the year Persimmon Regional and Community Champions donated over

£905,000

to over 355 local groups



No. of employees granted PSP Awards in 2024

245

#### Ensuring shareholder alignment

##### 50% of any bonus earned by Executive Directors is deferred into shares for three years

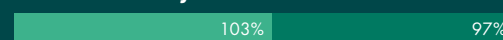
Subject to performance targets being met, all PSP shares vest after three years and vested shares are then subject to a further two-year holding period.

Shareholding requirement guidelines are set at 400% of salary for the Executive Directors, with 200% of salary expected to be achieved within five years of appointment.

##### Dean Finch CEO

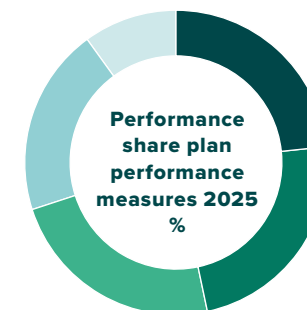
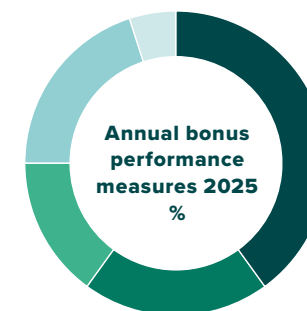


##### Andrew Duxbury CFO



Progress toward holding requirement

Balance of 200% holding requirement expected to be achieved within five years of appointment.





# Annual report on Remuneration

## Role of the Remuneration Committee

The role of the Committee is set out in its terms of reference, which is reviewed annually and were last reviewed in December 2024. These can be found on our website at [www.persimmonhomes.com/corporate](http://www.persimmonhomes.com/corporate). The Committee meets on at least three occasions a year and otherwise as required. In 2024 the Committee had three scheduled meetings. Additional meetings were held as necessary. The attendance at meetings can be located on page 118.

The Committee determines the remuneration policy for the Group's Chairman, Executive Directors, and the Senior Executive Group, which for 2024 consisted of the UK MD, Regional Chairs, the Group Transformation and Land Strategy Director, Chief Customer Experience Officer, Group Strategy and Regulatory Director, the Chief Human Resources Officer and the Company Secretary. Membership of this Group is kept under review to ensure it aligns to the organisational structure and comprises the senior management roles. This is a responsibility which has been delegated from the Board. The policies and practices are designed to support strategy and promote the long-term sustainable success of the Group. When setting and implementing the Policy for Executive Directors, the Committee has reviewed and taken into account workforce related policies and the alignment of incentives and rewards with culture. The Committee carefully considered the Group's strategy to increase customer focus and improve build quality and has aligned the variable remuneration metrics to meet this.

» Further information regarding the members of the Committee, including their biographies, can be located on pages 84 and 85.

Internal attendees to Committee meetings consisted of the Group Chief Executive, Chief Human Resource Officer and the Group Head of Reward. These attendees provided important information to the Committee and were not involved in any decisions relating to their own remuneration.

## Alignment of the Policy with UK Corporate Governance Code 2018 (the 'Code')

In determining the Policy, the Committee took into account the principles of clarity, simplicity, risk, predictability, proportionality and alignment to culture as set out in the Code. The annual bonus and PSP performance metrics are aligned with the Group's purpose and strategy to build high quality homes for our customers at a price they can afford, and deliver industry leading financial performance, therefore providing sustainable value for all stakeholders through the housing cycle. Directors are not involved in the setting of their own remuneration, and are recused from any conversations on their own pay. If Directors offer or volunteer to take reductions, this is something that is then considered and decided upon by the Committee.





## Remuneration continued

# Annual report on Remuneration continued

## Alignment of the Policy with UK Corporate Governance Code 2018 (the 'Code') continued

Principle	Alignment to the Code
<b>Clarity</b> Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.	We have taken a fully transparent approach to our Remuneration Policy and arrangements. A summary of our Remuneration Policy can be found on pages 121 to 122 of this Annual Report. This was supported by shareholders with a vote in excess of 98% in favour at the 2023 AGM. We continue to engage with shareholders as appropriate and listen to any feedback received. We liaise with workforce representatives via the Employee Engagement Panel and the Committee Chair attends meetings as appropriate. We track and discuss a number of workforce related statistics via the workforce remuneration dashboard that is presented at each Committee meeting. The Annual Report is available to all employees, which has details of Directors' remuneration.
<b>Simplicity</b> Remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	We consider that our remuneration structures are clear and easily understandable. We welcome feedback and listen to stakeholder comments regarding the Policy and its implementation. In determining the incoming Chief Financial Officer's remuneration, the Committee applied the principle that the overall remuneration package should be competitive but not excessive and that any compensation due should not result in an outcome where the individual received more than would have been due had they remained in post. Details of his remuneration can be found on page 130.
<b>Risk</b> Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	There are malus and clawback provisions included in the Policy to reflect best practice and to override formulaic outcomes, where appropriate. These provisions are capable of application in a range of circumstances including corporate failure, serious reputational damage and material failure of risk management. Appropriate discretion can be applied to all incentive outcomes. In the case of the annual bonus this applies for three years from the date on which the amount of the bonus is determined. For PSP awards discretion extends until the fifth anniversary of the grant date.
<b>Predictability</b> The range of possible values of rewards to individual Directors and any other limits or discretions should be identified and explained at the time of approving the policy.	For the Group Chief Executive, annual bonus and PSP awards are 200% of base salary. For the Chief Financial Officer, the annual bonus maximum award quantum is up to 150% (which is less than the approved Policy maximum of 175%), and the PSP award quantum is 200% of base salary. Maximum bonus is only payable if stretching targets are met and excellent Group performance is achieved. Half of the annual bonus and the whole of the PSP vesting is in shares. The Executive Directors have shareholding requirements, which include a two-year post-cessation shareholding requirement. The value of any share award is less predictable than cash due to potential fluctuations in the share price. However, it means that Directors' remuneration is better aligned to the shareholder experience.
<b>Proportionality</b> The link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.	Both the annual bonus and PSP include financial and cultural metrics which are key to our strategy and future success. From 2023 there has been an environmental metric in the PSP. Subject to the Committee's discretion to override formulaic outturns, annual bonus awards will result in payment at threshold performance of up to 20% of the maximum. Up to 50% of the maximum will be payable for on-target performance and all of the bonus will be payable for maximum performance. Half of annual bonus that vests will be paid in cash, with the remaining 50% deferred into shares for a period of three years. The PSP award granted in 2024 was based on performance measures over a three-year period, and a further two-year holding period before the shares can be released. In relation to shareholding requirements whilst in employment, the Group Chief Executive and Chief Financial Officer have a requirement of four times salary. The Executive Directors are expected to build up their shareholding over a period of time. The Committee has discretion to override formulaic outcomes. Directors' pension contributions/salary supplement are in aggregate, up to 9% of base salary, in line with the Group's salaried employees (who make up the majority of Group employees).
<b>Alignment to culture</b> Incentive schemes should drive behaviours consistent with Company purpose, values and strategy.	Our annual bonus and PSP schemes each contain non-financial cultural metrics to measure improvements in customer care and build quality. The aim is to focus upon improving customer experience, customer satisfaction, and build quality. Ultimately, the strategy is to create and protect superior and sustainable levels of value for the benefit of our customers, workforce, suppliers and shareholders through the housing cycle. Further information on our culture can be located on pages 89 to 90. Further information on the non-financial metrics can be located on pages 18 to 19 and pages 30, 39 and 46.





## What the Committee has focused upon during the year

Key areas of focus	Remuneration Committee activities in 2024
<b>New UK MD remuneration</b>	<ul style="list-style-type: none"> <li>Approved the remuneration package for the new UK MD who joined in January 2025.</li> </ul>
<b>Governance and engagement</b>	<ul style="list-style-type: none"> <li>Remuneration Committee Chair attended a meeting of the Employee Engagement Panel to discuss executive remuneration and alignment with broader workforce reward.</li> <li>Reviewed the Committee's terms of reference and agreed minor changes for approval by the Board.</li> <li>Confirmed the continuing independence and effectiveness of the remuneration consultants.</li> <li>Considered and approved the Annual Report on Remuneration.</li> </ul>
<b>Annual bonus and PSP awards</b>	<ul style="list-style-type: none"> <li>Agreed the structure and performance conditions for the 2024 annual bonus and 2024 PSP awards made to Executive Directors and senior management.</li> <li>Agreed the level of awards made to the Executive Directors, the Senior Executive Group and to other senior managers in the Group.</li> <li>Agreed the approach to the 2024 PSP grant having regard to the risk of windfall gains, including the price at which the buy-out share awards were made to the CFO.</li> <li>Discussed and agreed the environmental metric that would be used for the 2024 PSP awards, in particular focusing on the robustness of the data, measurement and assurance available to set and assess performance against such targets.</li> </ul>
<b>Workforce remuneration</b>	<ul style="list-style-type: none"> <li>Noted salary increases and pay practices for employees during the year to ensure that what we do at senior level is aligned appropriately with the experience of the broader workforce in terms of pay and benefits.</li> <li>Reviewed the HR dashboard which sets out key workforce data at each meeting and considered the impact on decisions relating to Executive Directors and the Senior Executive Group.</li> <li>Considered the annual bonus outturns and targets set to ensure they remained robust and appropriate taking account of the overall performance of the Group.</li> </ul>

## What the Committee is focusing on for 2025

Key areas of focus	Remuneration Committee activities in 2024
<b>Directors' Remuneration Policy</b>	<ul style="list-style-type: none"> <li>Undertake a review of the Directors' Remuneration Policy and engage with shareholders as appropriate in advance of approval for a new Policy being sought at the 2026 AGM.</li> </ul>
<b>Executive Directors and Senior Management remuneration</b>	<ul style="list-style-type: none"> <li>Agree the remuneration framework for the Executive Directors and Senior Executive Group.</li> <li>Take note of reward decisions for the wider workforce and consider any impact on and alignment of executive pay.</li> </ul>
<b>Annual bonus</b>	<ul style="list-style-type: none"> <li>Agree performance conditions for 2025 awards.</li> </ul>
<b>PSP awards</b>	<ul style="list-style-type: none"> <li>Agree performance conditions for 2025 PSP awards.</li> <li>Agree the level of awards made to the Executive Directors, the Senior Executive Group and to other senior managers in the Group, including consideration of potential windfall gains.</li> </ul>

## Advisors

The Committee sought advice during the year on remuneration matters in relation to market and best practice. The advice was sought from Deloitte LLP, who are the Group's independent remuneration consultants. Deloitte was appointed by the Remuneration Committee in 2016 and was selected due to their expertise in executive remuneration. During the year Deloitte LLP also provided advice on remuneration disclosure and share plan matters to the Group, and provided support and advice to the Group in relation to transfer pricing services. Deloitte LLP is not connected to any Group company or individual Directors.

The Committee considers that the advice provided by Deloitte as professional remuneration consultants was appropriate, objective and independent. The advice provided by Deloitte did not affect the judgements made by the Committee, which remained independent at all times. Deloitte is a founding member of the Remuneration Consultants Group and adheres to its Code of Conduct in relation to executive remuneration consulting in the UK.

The amount of fees the Group paid to Deloitte for the services they provided to the Remuneration Committee in 2024 was £36,615, charged on a time spent basis.



## Remuneration continued

# Annual report on Remuneration continued

### 2024 Directors' Remuneration Report – audited

The auditor is required to report on the following information up to and including the Statement of Directors' shareholding requirements and share interests.

#### Single total figure of remuneration for the year ended 31 December 2024 (Audited)

The figures set out in the tables below are the actual amounts of salary or fees earned in the year to 31 December 2024.

#### Executive remuneration (Fixed)

	Fixed remuneration							
	Salary		Benefits		Salary supplement in lieu of pension/Employer pension contribution		Total fixed remuneration	
	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £
Executive								
D Finch	795,850	746,750	41,335	45,603	71,626	67,208	908,811	859,561
A Duxbury <sup>1</sup>	285,382	—	5,052	—	25,685	—	316,119	—
Total	1,081,231	746,750	46,387	45,603	97,311	67,208	1,224,930	859,561

#### Executive remuneration (Variable)

	Variable remuneration									
	Annual bonus		Value of long-term Awards Vesting		Value of SAYE options vesting		Value of buy-out awards		Total variable remuneration	
	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £
Executive										
D Finch	1,412,544	1,271,887	229,011 <sup>3</sup>	131,566 <sup>2</sup>	—	—	—	—	1,641,555	1,403,453
A Duxbury	381,673	—	—	—	—	—	1,611,521 <sup>4</sup>	—	1,993,194	—
Total	1,794,217	1,271,887	229,011	131,566	—	—	1,611,521	—	3,634,749	1,403,453

	Total	
	2024 £	2023 £
Executive		
D Finch	2,550,366	2,263,014
A Duxbury	2,309,313	—
Total	4,856,771	2,263,014

- 2024 figures are from 17 June, the date Andrew Duxbury joined Persimmon.
- In the 2023 annual report the Value of long-term Awards Vesting for Dean Finch was calculated by reference to the average share price over the final quarter of 2023 (£11.73). In this report, and in line with the reporting regulations, that value has been re-calculated by reference to the share price on the date of vesting of 12 March 2024 (£13.24).
- Dean Finch was granted a PSP award in 2022 which vested by reference to performance over the three years ending 31 December 2024. Further details in relation to the award, including the basis on which the value in the table above is calculated, are set out on pages 128 and 129.
- The buy-out awards for Andrew Duxbury reflect the value of awards granted to him in respect of remuneration forfeited when he left his previous employer.
  - For the period 1 July 2023 to 31 December 2023 he has received a bonus buy-out calculated by reference to the vesting of Galliford Try's bonus for the same period and a maximum award of £201,750 (being 50% of his salary at Galliford Try). Based on the vesting level disclosed in the Galliford Try Annual Report and Accounts this resulted in a bonus buyout for this period of £188,435. This buyout bonus will be paid half in cash and half in shares deferred for three years.
  - For the period from 1 January until 17 June he has received a bonus buy-out based on up to 100% of £403,500 (Andrew's salary and maximum bonus at Galliford Try), pro rated for the period. This payment has been determined by reference to Persimmon performance conditions for the 2024 bonus as set out on pages 127 and 128 and amounts to £164,366. This bonus buy-out will be paid half in cash and half in shares deferred for three years.
  - In accordance with the regulations the value of certain share awards granted to Andrew in respect of share awards that he forfeited when he left his previous employer. These amount to £1,258,720 in aggregate, with the details included on page 130.

The value of the buy-outs is included in the 2024 single total figure in line with the requirements of the regulations, notwithstanding that they relate to forfeited remuneration from the former employer in respect of a period of four years.



## Non-Executive remuneration

As Non-Executive Directors only receive fees only this element is shown in the table below.

	Fixed remuneration		Total	
	Salaries and fees			
	2024 <sup>5</sup> £	2023 £	2024 £	2023 £
<b>Chairman</b>				
R Devlin	351,698	330,000	351,698	330,000
<b>Non-Executive</b>				
N Mills	84,954	82,000	84,954	82,000
P Bell <sup>4</sup>	28,653	—	28,653	—
A Durbin	84,954	82,000	84,954	82,000
A Wyllie	67,954	65,000	67,954	65,000
S Khoury-Haq <sup>1</sup>	63,464	82,000	63,464	82,000
A Depledge <sup>2</sup>	67,954	43,333	67,954	43,333
C O'Shea <sup>3</sup>	72,954	43,333	72,954	43,333
<b>Total</b>	<b>822,585</b>	<b>727,666</b>	<b>822,585</b>	<b>727,666</b>

1. Shirine Khoury-Haq resigned from the Board on 30 September and 2024 fees are shown to this date.

2. 2023 figures are from 1 May, the date Alex Depledge was appointed to the Board.

3. 2023 figures are from 1 May, the date Colette O'Shea was appointed to the Board.

4. Paula Bell was appointed to the Board on 1 September 2024 and fees are shown from this date.

5. Non-Executive Director fees can vary based on whether additional duties are required e.g. to chair a committee or perform the senior independent role. A more detailed explanation of this can be found on page 137.

## Additional information for single total figure remuneration table

### Benefits

Benefits include car or car allowance, private medical scheme membership, life assurance benefits, income protection scheme membership, professional subscriptions and phone costs. This is in line with other senior employees across the Group.

### Directors' pension entitlements

Dean Finch received a salary supplement in lieu of pension, equal to 9% of his base salary. Andrew Duxbury (from the date he joined) received a total employer pension contribution and salary supplement equal to 9% of his base salary.

### Annual Bonus 2024

Dean Finch was eligible to earn a bonus in respect of 2024. The maximum bonus was up to 200% of salary. Andrew Duxbury was eligible for a bonus of 150% of salary, prorated to reflect the date he joined Persimmon. Andrew was also eligible for buy-out awards to compensate him for bonuses which were forfeited when he left his previous employer, further details are shown on page 130. All bonus payments are subject to deferral of 50% for a three-year period.

We have set out below details of the performance measures and targets and the extent to which they were satisfied.

Our financial KPIs (accounting for 60% of the total) reflect the strong underlying financial health of the Group.

Non-financial KPIs (accounting for 40% of the bonus opportunity in total) are important to help the Group to assess our activities in achieving our five key priorities. The non-financial KPIs help drive long-term shareholder value and reflect our values of being customer focused, value driven and delivering excellence. For the customer service and quality it is important to note that the scores start from zero each year meaning that the level of attainment required is a challenging target to meet.

Measure	Weighting	Threshold (20% achievement)	Target (50% achievement)	Maximum (100% achievement)	Outturn	Extent bonus measure met (% of maximum bonus)
PBT <sup>1</sup>	40%	£353.3m	£371.m	£409.1m	£395.0m	32.4
Pre-land cash generation <sup>2</sup>	20%	£339.1m	£376.7m	£414.4m	£525.4m	20
Customer care	20%	See below <sup>3</sup>			Met in part	19.32
Build quality	15%	See below <sup>4</sup>			Met in part	12.04
Health & Safety	5%	See below <sup>5</sup>			Met in full	5

1. Profit before tax (before exceptional items and goodwill impairment).

2. Pre-land cash generation (being net cash inflow before dividends, legacy building provision spend and net land payments) with the outturn calculated as:



## Remuneration continued

# Annual report on Remuneration continued

### Additional information for single total figure remuneration table continued

#### Annual Bonus 2024 continued

	Extent bonus measure met (% of maximum bonus)
Cash at 31 December 2023:	£420.1m
Cash at 31 December 2024:	£258.6m
Decrease in cash:	£(161.5)m
Add: Dividends paid:	£191.8m
Net land spend:	£437.0m
Fire safety spend:	£58.1m
<b>Total</b>	<b>£525.4m</b>

3. 15% of the customer measure was achieved by reference to the fraction of those operating businesses in the Group rated as 90% and above as measured by the results of the HBF eight-week Customer Satisfaction Survey Question "would you recommend Persimmon to a friend?". The outturn shows that 28 of the 29 operating businesses achieved a score of 90% or above. 5% of the customer measure was achieved by reference to the Group overall operating at the level required to attain classification as a five-star builder by the HBF, the Group score is 96% so this target is achieved in full. 5% of the customer measure was achieved by reference to the fraction of those operating businesses in the Group rated as 75% or above as measured by the results of the HBF nine-month Customer Satisfaction Survey Question "would you recommend Persimmon to a friend?". The outturn shows that 27 of the 29 operating businesses achieved a score of 75% or above. These scores start from zero each year meaning that the level of attainment required is a challenging target to meet.
4. The quality score is based on the results of independent assessments carried out on Persimmon sites by the Group's warranty providers from 1/1/24 to 31/12/24. Targets were set for each warranty provider and the scores weighted based on the proportion of inspections completed by each provider. The targets were set such that an improvement on prior year was required for target performance, with the level of improvement required based on the warranty provider's scoring system. These scores start from zero each year meaning that the level of attainment required is a challenging target to meet.
5. Performance was assessed against an H,S&E matrix encompassing a wide range of factors. Each factor was weighted in terms of materiality reflecting the impact of any infringement and year-on-year improvement was required in order to achieve the target level.

A summary of outturns is shown in the table below:

Provider	% Weighting	% of operating companies achieving threshold but below target	% of operating companies achieving target or above	Outturn (% of maximum opportunity available)
NHBC	80.44	8	19	63.81
LABC	1.37	1	3	1.20
Premier	18.18	7	14	12.73

Half of the bonus earned by the Executive Directors is paid in cash with half deferred into shares for three years. The amount deferred into shares is not subject to any further performance condition. The deferred share award will ordinarily be subject to continued employment.

### Performance Share Plan awards vesting in respect of performance in 2024 (Audited)

A PSP award was granted on 8 March 2022 to Dean Finch. The award was based on performance over the three-year period which ended on 31 December 2024.

The award vested at 20% and further information is set out below. The award remains subject to a further holding period before it will be released.

The targets and performance against these targets are as follows:

Performance measure	Weighting	Threshold (25% vesting)	Target (50% vesting)	Maximum (100% vesting)	Outturn	Extent PSP measure met (% of maximum)
Relative TSR <sup>1</sup>	40%	Median	—	Upper quartile or above	Below median	0
Average pre-land cash generation over the three year performance period <sup>2</sup>	40%	£949m	£1,117m	£1,285m	£560.6m	0
Customer Care <sup>4</sup>	20%	Group Customer Care Score is at 75% and Group is a four-star builder over the performance period	—	Group Customer Care Score is 80% or above and Group is a four-star builder over the performance period	87.6%	20%

1. Compared to a peer Group of the UK's largest listed house builders: Barratt Redrow Plc; Bellway p.l.c.; Crest Nicholson Holdings plc; Taylor Wimpey plc; The Berkeley Group Holdings plc; Vistry Group PLC.

2. Net cash inflow before capital return and net land payments.

3. The Customer Care measure is based on the Group score as measured by the results of the HBF nine-month Customer Satisfaction Survey Question "would you recommend Persimmon to a friend?" as measured on 19 February 2025. The customer care metric is subject to an underpin that the Group is a four-star builder in each of the three years of the performance period. This underpin has been met.



In the single total figure of remuneration table, the value of these awards is calculated as set out below. As the share price average for the final quarter was below the grant share price no value is attributable to share price growth.

	Number of shares subject to award	Vesting outturn (%)	Vested shares	Value of shares <sup>1</sup> (£)	Dividend equivalent <sup>2</sup> (£)	Total for single total figure of remuneration (£)
Dean Finch	64,653	20	12,930	180,523	48,488	229,011

1. In accordance with the relevant regulations, the value of the purposes of the single total figure of remuneration table is calculated by reference to the average share price over the final quarter of 2024 (£13.9616).
2. In accordance with the rules of the PSP, each Executive Director is entitled to a further benefit by reference to dividends on their vested shares. These will be calculated over the period ending at the end of the holding period and delivered in shares. The value in respect of dividend equivalents over the period ended 31 December 2024 is included in the table above.

## Savings-Related Share Option Scheme ('SAYE') (Audited)

The SAYE Scheme is an HMRC approved all employee savings related share option scheme. Invitations are issued annually to all employees to apply for the grant of an option under the SAYE. There are no performance conditions attached to options granted under the SAYE. No options were exercised in 2024.

## Performance Share Plan awards made during the year (Audited)

PSP awards were granted on 25 March 2024 to Dean Finch and on 19 June to Andrew Duxbury.

	Type of award	Basis of award	Threshold level of vesting	Face value of award £000	Performance period <sup>2</sup>	Shares subject to option
Dean Finch	Nil-cost option	Percentage of salary – 200% <sup>1</sup>	25%	1,568,176	01/01/2024 – 31/12/2026	120,351
Andrew Duxbury	Nil-cost option	Percentage of salary – 200% <sup>1</sup>	25%	1,060,000	01/01/2024 – 31/12/2026	73,376

1. Awards were calculated based on the percentage of salary and the average of the closing share prices on each of the five dealing days before the grant of the award (£13.03 for Dean Finch and £14.45 for Andrew Duxbury).
2. The awards will vest in 2027 based on the achievement of the performance conditions but are then subject to a further two-year holding period before the shares can be released.

The award is subject to the performance conditions set out below.

Performance measure	Weighting	Threshold (25% vesting)	Target (50% vesting)	Maximum (100% vesting)
Relative TSR <sup>1</sup>	35%	Median	—	Upper quartile or above
Average pre land cash generation over the three year performance period <sup>2</sup>	35%	£519m	£610.6m	£702.2m or above
Customer Care <sup>3</sup>	20%	Group HBF Score is 77.5%	—	Group HBF Score is 82.5% or above
Carbon Reduction <sup>4</sup>	10%	23,682 tonnes CO <sub>2</sub> e	—	21,314 tonnes CO <sub>2</sub> e or below

1. Compared to a peer group of the FTSE 51-100 (excluding financial services) as at the grant date, plus those sector comparators which were not within the group. The relevant sector comparators being Barratt Redrow Plc, Bellway p.l.c., Crest Nicholson Holdings plc, Taylor Wimpey plc, The Berkeley Group Holdings plc, and Vistry Group PLC.
2. A ROCE underpin has been maintained for the pre land cash metric. This will be assessed by the Remuneration Committee at the time of vesting based on average ROCE over the performance period. ROCE = annual underlying profit from operations/average capital employed. Annual Underlying Profit from Operations = 12 month consolidated Group profit before tax, interest, goodwill impairment and exceptional items. Average Capital Employed = average of Capital Employed during the relevant Financial Year. Capital Employed = Consolidated shareholder funds, plus consolidated borrowings, less consolidated cash holdings, in each case as determined from the Company's Annual Report and Accounts for the relevant Financial Year.
3. The Customer Care measure is based on the HBF nine-month 'Recommend a Friend' question. Awards vest on a straight line basis for a score between 77.5% and 82.5%. The customer care metric is subject to an underpin that the Group is a four-star builder in each of the three years of the performance period.
4. Based on Scope 1 and 2 carbon emissions from Group operations for the year ending 31 December 2026, measured in tonnes of CO<sub>2</sub>e from operations and determined consistently with the Group's Science Based Targets.



## Remuneration continued

# Annual report on Remuneration continued

### Buy-out awards made during the year (Audited)

The following share buy-out awards were made to Andrew Duxbury to replace remuneration forfeited when he left his previous role.

#### CFO Share Buy-out Awards table

Forfeited remuneration	Number of Persimmon shares subject to the buy-out award	Vesting date of buy-out award
Annual Bonus Plan (DBP) 2021 <sup>1</sup>	12,353	23/09/2024
Annual Bonus Plan (DBP) 2022 <sup>1</sup>	13,909	28/09/2025
Annual Bonus Plan (DBP) 2023 <sup>1</sup>	3,998	27/09/2026
Long Term Incentive Plan FY 2022 (year of grant 2021) <sup>2</sup>	55,295	23/09/2024 (followed by a two year holding period)
Long Term Incentive Plan FY 2023 (year of grant 2022) <sup>3</sup>	42,111	23/09/2025 (followed by a two year holding period)
Long Term Incentive Plan FY 2024 (year of grant 2023) <sup>3</sup>	14,743	c. March 2026 (followed by a two and a half year holding period - release September 2028)

1. The value of the buy-out awards in respect of the Annual Bonus Plan (DBP) 2021, 2022 and 2023 awards are included in the single total figure of remuneration table on page 126 because they were not subject to performance conditions. This reflects that the awards bought out were not subject to performance conditions. For the purposes of that table, their value is the number of Persimmon shares subject to the award, multiplied by the share price of £14.045 (being the closing share price on 18 June 2024, the date of grant of the awards).

2. The vesting of the buy-out award in respect of the FY 2022 LTIP award is included in the single total figure of remuneration table on page 126 because it is no longer subject to performance conditions. Vesting was subject to the satisfaction of the performance conditions applying to the Galliford Try FY 2022 LTIP awards. Based on the vesting level disclosed in the Galliford Try Annual Report and Accounts, these performance conditions were met as to 88.2%, so that the buyout award vested in respect of 48,770 Persimmon shares. For the purposes of the single total figure of remuneration table, the value is the number of vested Persimmon shares subject to the award, multiplied by the share price of £16.695 (being the closing share price on 23 September 2024, the date of vesting of the award), plus £0.40 per vested share in respect of the dividend paid on 12 July 2024.

3. The buy-out awards in respect of the FY 2023 and FY 2024 LTIP awards are subject to the satisfaction of performance conditions and the value at the time of vesting will be included in the Single Figure table at the appropriate time

In addition to the share Buy-out Awards Andrew also received Buy-out Awards to compensate him for annual bonus which was forfeited when he left his previous employer. His bonus buy-outs are included in the single figure table and full details can be found on page 126. All bonus payments are subject to deferral of 50% for a 3-year period.

### Payments for loss of office (Audited)

There were no payments for loss of office made in the year.

### Payments to past Directors (Audited)

There were no payments to past Directors for the year ended 31 December 2024 where the total payment to the former Director exceeded the threshold set by the Group of £20,000.

### Service contracts (Audited)

The Company's policy is for service contracts with Executive Directors to have no more than a 12-month notice period.

The Chairman and the Non-Executive Directors are not employees. They have letters of appointment which set out their duties and responsibilities. They do not have service contracts.

The Chairman's and the Non-Executive Directors' letters of appointment are effective from their date of appointment. Their appointment is initially for a three-year term but is subject to re-election at each AGM and their appointment may be terminated on three months' notice for the Chairman and one month's notice for the Non-Executive Directors.

Name	Commencement date	Unexpired term remaining as at 31 December 2024
D Finch	28 September 2020	Terminable on 12 months' notice.
A Duxbury	17 June 2024	Terminable on 12 months' notice.
R Devlin	1 June 2018	Terminable on three months' notice and subject to reappointment at the AGM each year.
N Mills	4 April 2016	Terminable on one month's notice and subject to reappointment at the AGM each year.
A Durbin	1 July 2020	Terminable on one month's notice and subject to reappointment at the AGM each year.
A Wyllie	4 January 2021	Terminable on one month's notice and subject to reappointment at the AGM each year.
A Depledge	1 May 2023	Terminable on one month's notice and subject to reappointment at the AGM each year.
C O'Shea	1 May 2023	Terminable on one month's notice and subject to reappointment at the AGM each year.
P Bell	1 September 2024	Terminable on one month's notice and subject to reappointment at the AGM each year.
A Aithal	1 January 2025	Terminable on one month's notice and subject to reappointment at the AGM each year.



**Directors' share option scheme interests (Audited)**

	Scheme	Total interests outstanding at 31 December 2023	Granted in year	Acquired in year	Lapsed in year	Exercise price/ market price at date of award	Interests without performance conditions	Interests with performance conditions	Total interests outstanding at 31 December 2024	Options vested but unexercised	Latest vesting date
D Finch	PSP 2020	10,520	—	—	—	2411p	10,520	—	10,520 <sup>1</sup>	10,520 <sup>1</sup>	—
	PSP 2021	49,103	—	7,021	42,082	2953p	7,021	—	7,021 <sup>2</sup>	7,021 <sup>2</sup>	—
	PSP 2022	64,653	—	—	—	2310p	—	64,653	64,653	—	Spring 2025
	PSP 2023	105,341	—	—	—	1276p	—	105,341	105,341	—	Spring 2026
	PSP 2024	—	120,351	—	—	1303p	—	120,351	120,351	—	Spring 2027
	2021 Deferred Bonus	30,583	—	—	—	2192p	30,583	—	30,583	—	Spring 2025
	2022 Deferred Bonus	42,796	—	—	—	1270p	42,796	—	42,796	—	Spring 2026
	2023 Deferred Bonus	—	48,787	—	—	1303.5p	48,787	—	48,787	—	Spring 2027
A Duxbury <sup>3</sup>	Annual Bonus Plan (DBP)	—	12,353	12,353	—	1360.98p	12,353	—	—	—	—
	Annual Bonus Plan (DBP)	—	13,909	—	—	1360.98p	13,909	—	13,909	—	Sep—25
	Annual Bonus Plan (DBP)	—	3,998	—	—	1360.98p	3,998	—	3,998	—	Sep—26
	Long Term Incentive Plan FY 2022	—	55,295	48,770	6,525	1360.98p	48,770	—	48,770	48,770	—
	Long Term Incentive Plan FY 2023	—	42,111	—	—	1360.98p	—	42,111	42,111	—	Sep—25
	Long Term Incentive Plan FY 2024	—	14,743	—	—	1360.98p	—	14,743	14,743	—	Spring 2026
	PSP 2024	—	73,376	—	—	1444.6p	—	73,376	73,376	—	Spring 2027

1. Shares vested during the previous year and entered a two-year holding period. The shares will be released to the Executive Director at the end of the holding period.

2. Shares vested during the year and entered a two-year holding period. The shares will be released to the Executive Director at the end of the holding period.

3. Andrew Duxbury joined the Group on 17 June 2024.

All of the above represent share options and were granted for no financial consideration.



## Remuneration continued

### Annual report on Remuneration continued

#### Statement of Directors' shareholding requirements and share interests (Audited)

The share ownership requirements for the Executive Directors serving during the year and the share interests of the Directors and of their connected persons in the ordinary share capital of the Group are as shown below. The shareholding requirements set out below.

Director	Shareholding requirement	No. of shares and share awards that count towards shareholding requirement at 31 December 2024	Percentage of base salary held at 31 December 2024 (including shares held by connected persons and shares net of assumed tax for share awards which are no longer subject to performance conditions) <sup>1</sup>	31 December 2024 (or if earlier, date of leaving the Board)	31 December 2023 (or if later, date of joining the Board)
D Finch	4 times salary <sup>2</sup>	98,121	145.55%	24,078	16,457
A Duxbury	4 times salary <sup>2</sup>	45,495	102.84%	10,157	0
<b>Chairman</b>					
R Devlin	N/A	N/A	N/A	32,575	32,575
<b>Non-Executives</b>					
N Mills	N/A	N/A	N/A	716	716
A Durbin	N/A	N/A	N/A	0	0
A Wyllie	N/A	N/A	N/A	1,012	1,012
S Khoury-Haq <sup>3</sup>	N/A	N/A	N/A	355	355
A Depledge	N/A	N/A	N/A	0	0
C O'Shea	N/A	N/A	N/A	0	0
P Bell	N/A	N/A	N/A	0	0
<b>Total</b>				<b>68,893</b>	51,115

1. Calculated based on the closing price of £11.98 at 31 December 2024 and on base salary at 31 December 2024 (or if earlier date of leaving the Board).

2. The Committee expects that a holding with a value of equal to 2x salary will be achieved within five years of appointment, with the balance of the requirement acquired within a period agreed with the Chairman.

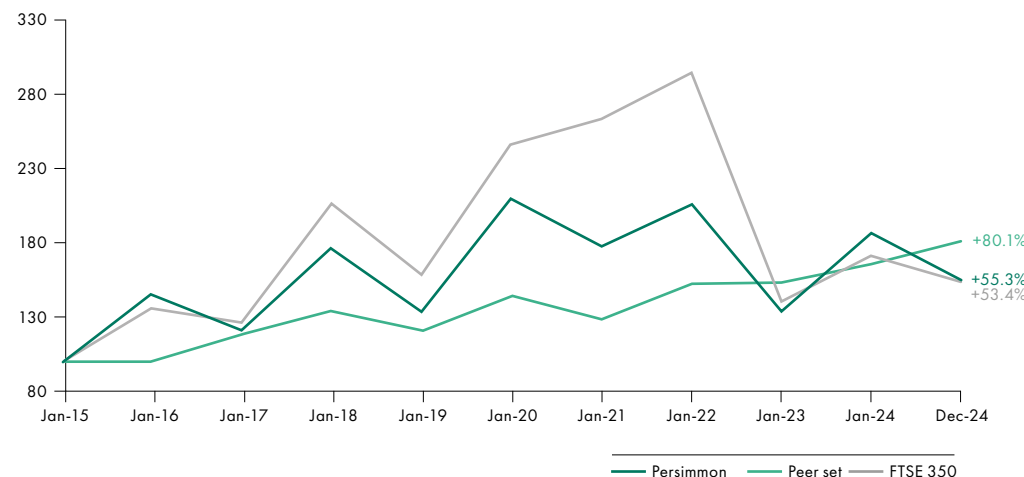
3. Shirine Khoury-Haq resigned from the Board on 30 September 2024.

The beneficial holdings at 31 December 2024 of the Directors in office at that point were 68,538 shares, representing 0.02% of the Group's issued share capital as at that date. There have been no changes in these interests between 31 December 2024 and 10 March 2025.

The Committee has an agreed Post-Employment Shareholding requirement, details of which are included in the Directors' Remuneration Policy on page 141. There are no share ownership requirements for the Chairman and Non-Executive Directors.

#### Total Shareholder Return

We have chosen to compare the Group's total shareholder return performance with that of the FTSE 350, being a broad index of the UK's largest companies and with the largest UK listed house builders, being the Group's peer group. The graph shows a hypothetical £100 holding in the Group's shares over ten years, relative to the FTSE 350.





## Group Chief Executive remuneration 2015 to 2024

Year	Chief Executive	Single total figure of remuneration £	Annual bonus paid against maximum opportunity	PSP/LTIP awards vesting against maximum opportunity
2024	D Finch	2,550,366	88.74%	20%
2023	D Finch	2,263,014	85.16%	14.3%
2022	D Finch	2,143,066	72.78%	58.72%
2021 *	D Finch	2,578,902	92%	n/a
2020	D Finch/D Jenkinson **	658,212	n/a	n/a
2019	D Jenkinson	672,998	n/a	n/a
2018	J Fairburn	38,967,197	n/a	100%
2017	J Fairburn	45,739,514	95.7%	100%
2016	J Fairburn	2,123,692	97.3%	n/a
2015	J Fairburn	1,995,213	97.3%	n/a

\* The increase in the CEO single total figure of remuneration between 2020 and 2021 reflects: (1) that Executive Directors' bonuses for 2020 were forgone; and (2) the inclusion in the 2021 single total figure of remuneration of a buy-out award granted to Dean Finch.

\*\* This is the total remuneration for Dave Jenkinson, who was Group Chief Executive until 20 September 2020, and remuneration for Dean Finch from 28 September 2020, the date he became Group Chief Executive.

### The Wider Workforce

When making decisions about reward for the Executive Directors and Senior Executive Group the Remuneration Committee takes account of the reward principles which apply across the Group. Fundamental to this are our beliefs that all employees should be treated fairly, as evidenced by our status as an accredited Living Wage Employer, and that all employees should have the opportunity to share in the success of the business as shown through extensive participation in bonus, commission and share plans.

In 2024 a base pay increase of 3% was agreed. There were also a significant number of internal promotions which resulted in pay increases, demonstrating the opportunities for career development and progression with the Group.

We also continue to invest in our wider employee population through training and development opportunities and through the work being carried out by our D&I Council and Working Group. We also continue to focus on supporting our employees' wellbeing through our Employee Assistance Programme, our mental health counsellors and other initiatives such as our Persimmon communities. All of this together is aimed at improving the overall experience of being a Persimmon employee. Further information on this can be found on page 25.

An overview of our reward policy for salaried employees and how this cascades down the business is shown below.

	Executive Directors	Senior Executive Group	Senior management	Management	Salaried employees
Competitive base salary	✓	✓	✓	✓	✓
Annual bonus	✓	✓	✓	✓	✓
PSP	✓	✓	✓	✓	✓*
All employee share plan	✓	✓	✓	✓	✓
Pension	✓	✓	✓	✓	✓
Car/car allowance	✓	✓	✓	✓	✓*
Private health cover	✓	✓	✓	✓	✓*

\* Dependent on role and/or job grade.

### Employee Engagement

The Committee Chair met with the Employee Engagement Panel during 2024 to explain how executive remuneration aligns with wider Group pay policy. The Employee Engagement Panel outcomes are reported to the Board and meetings are attended by the Workforce Non-Executive Director. The members of the Employee Engagement Panel cascade messages more broadly to the workforce ensuring two-way engagement. The Committee tracks and discusses a number of workforce related statistics via an HR dashboard of Group-wide workforce statistics and trends. The Committee and Board are informed of the outcomes of Employee Engagement Surveys which are undertaken annually. Further information on our interaction with the workforce can be located on page 26.

The remuneration policy for the workforce is given due consideration when determining the remuneration of the Executive Directors.



## Remuneration continued

# Annual report on Remuneration continued

### Group Chief Executive remuneration 2015 to 2024 continued

#### Pay ratios

The table below compares the single total figure of remuneration for the Group Chief Executive with that of employees who are paid at the 25th percentile, 50th percentile and 75th percentile of the Group's employee population and also shows the total pay and benefits at quartile points.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024	Option B	66:1	59:1	40:1
2023	Option B	82:1	52:1	32:1
2022	Option B	75:1	57:1	37:1
2021	Option B	99:1	60:1	45:1
2020 <sup>1</sup>	Option B	28:1	17:1	14:1
2019	Option B	23:1	20:1	15:1

1. The pay ratio for 2020 is based on the aggregate of the remuneration earned by Dave Jenkinson and Dean Finch for the period each was CEO during 2020.

The median ratio for 2024 is 59. The Company considers that the median pay ratio for 2024 is consistent with the pay, reward and progression policies for the Company's UK employees taken as a whole (albeit that the total remuneration pay ratio may increase going forward depending on the performance of the Company which will impact the levels of bonus and PSP payable to Executive Directors).

The Company adopted 'Option B' from The Companies (Miscellaneous Reporting) Regulations 2018. The latest available gender pay gap data (i.e. from April 2024) was used to identify the best equivalents in respect of each year for three Group employees whose hourly rates of pay were at the 25th, 50th and 75th percentiles of all Group employees. The Company adopted Option B because it was the most practical approach to total calculation of these ratios taking into account the availability of data, and because it means that the data used to calculate the Company's gender pay gap and CEO ratios is applied on a consistent basis. The full time equivalent total pay and benefits figures for the three employees at each percentile were determined with reference to the relevant year ended 31 December. A small number of employees at either side of the quartile points identified from the gender pay gap data were also considered, together with their corresponding full time equivalent total pay and benefits figures to ensure that the employees identified at each of the three percentile points are reasonably representative of each quartile. Adjustments were made in line with the regulations to ensure the data is reasonably representative.

No components of pay have been omitted. The Committee understands that the three employees represent the relevant percentiles, and each was remunerated in line with the Group remuneration policies.

The CEO pay is the single total figure of remuneration for the relevant year, as stated in the Group Chief Executive remuneration 2015 to 2024 table on page 133.

The total salary, and pay and benefits of employees who are paid at the 25th percentile, 50th percentile and 75th percentile is shown below:

Year	CEO	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024 total pay and benefits	£2,550,366	£38,539	£43,325	£63,730
2024 salary	£795,850	£33,495	£36,638	£52,705
2023 total pay and benefits	£2,252,464	£27,326	£43,373	£69,381
2023 salary	£746,750	£25,183	£40,173	£48,000
2022 total pay and benefits	£2,143,066	£28,644	£37,314	£58,147
2022 salary	£746,750	£25,779	£33,120	£44,075
2021 total pay and benefits	£2,578,902	£26,005	£43,306	£57,485
2021 salary	£725,000	£21,178	£33,551	£46,000
2020 total pay and benefits	£658,212	£23,748	£39,645	£47,828
2020 salary	£561,842	£21,608	£36,297	£38,300
2019 total pay and benefits	£672,998	£29,500	£33,409	£44,728
2019 salary	£511,625	£26,667	£19,425	£27,726

### Gender Pay Gap

At the measurement date of April 2024 the median Gender Pay Gap for the Group was 21.3% (2023: 9.9%). This increase was primarily driven by changes in the composition of our workforce and in particular the reduction in headcount of our weekly-paid population, who are predominantly male, which drove an increase in median male pay. Whilst there is a higher proportion of men working in the Group, the percentage of females has grown incrementally each year over the last five years and we are focusing on attracting a more diverse workforce, especially women, who are under-represented in the industry as a whole. The Group has set gender diversity targets, more information on our work in this area can be found on page 25.

In April 2022 we started delivery against a new Equality, Diversity and Inclusion strategy. A key workstrand within this is data improvement, for both existing and new employees. We have continued to make advances in capturing employee E,D&I data, and now have this for c.65% of employees, from a low starting point of 17% in 2021. Once our data is sufficiently robust to allow meaningful analysis we will publish ethnicity pay ratios in the future. We introduced a quarterly E,D&I data dashboard from April 2024 to help track progress and identify areas for improvement and focus. Further information on our Equality, Diversity & Inclusion strategy can be found on page 25.



## Directors' change in remuneration

Set out below is a comparison of the change in remuneration of each of the Company's Directors from 2019 to 2024, with the change in remuneration of Persimmon Plc's employees. As Persimmon Plc has a relatively small number of employees, we have also chosen to compare the change in remuneration with the Group's salaried employees (the same comparator group as we have used in previous years).

	Salary/fees					Bonus					Benefits				
	2023/24	2022/23	2021/22	2020/21	2019/20	2023/24	2022/23	2021/22	2020/21 <sup>3</sup>	2019/20	2023/24	2022/23	2021/22	2020/21	2019/20
Average of Persimmon Plc's employees	6%	3.7%	31.4%	5%	5%	47.8%	-10.7%	96.3%	21%	-19%	-10.3%	10.1%	-8.2%	2%	-18%
Average of Group salaried employees	4.5%	6.1%	7.3%	5%	2%	24.9%	4.9%	18.7%	21%	-19%	-13	6.1%	1.9%	2%	0%
R Devlin	7%	0%	10%	5%	—	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—
D Finch <sup>1</sup>	7%	0%	3%	0%	N/A	11%	17%	-19%	N/A	N/A	-9%	-3%	8%	-7%	—
N Mills	4%	0%	9%	5%	—	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—
A Durbin	4%	0%	9%	5%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—
A Wyllie <sup>2</sup>	5%	0%	8%	—	—	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—
C O'Shea <sup>4</sup>	12%	—	—	—	—	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—
A Depledge <sup>4</sup>	5%	—	—	—	—	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—

1. The 2020 remuneration for D Finch has been annualised for the purposes of the above table to enable a valid comparison.

2. The 2021 remuneration for A Wyllie has been annualised for the purposes of the above table to enable a valid comparison.

3. Executive Directors' bonuses for 2020 were forgone such that the percentage change between 2020 and 2021 is not considered a meaningful comparison. No bonuses were payable in 2019.

4. The 2023 remuneration for A Depledge and C O'Shea has been annualised for the purposes of the above table to enable a valid comparison.

5. Andrew Duxbury and Paula Bell joined the Board during 2024 and are excluded from this table as there is no prior year comparator. Shirine Khoury-Haq resigned from the Board on September 30 and has been excluded from this table.

As noted above a 3% salary increase was agreed for the wider workforce in July 2024. There were also a number of promotional increases during the year. Due to timing issues the bonus comparison for employees is based on the actual amount paid in 2024 versus the actual amount paid in the 2023 financial year.

## Relative importance of spend on pay

Set out below is the amount spent on remuneration for all employees of the Group (including for Executive Directors) and the total amounts paid in distributions to shareholders over the year.

	2024 £m	2023 £m	Difference in spend £m	Difference as a percentage
Remuneration for all employees <sup>1</sup>	257.7	272.3	(14.6)	(5.4)
Total dividend payments made	191.8	255.4	(63.6)	(24.9)

1. Figures are taken from note 8 of the accounts relating to staff and employee costs except that employer social security costs and IFRS 2 Share-based payment charges have been removed.



## Remuneration continued

# Annual report on Remuneration continued

### Statement of voting at general meeting

The Directors' Remuneration Policy, effective from 26 April 2023 was put to shareholders for approval at the 2023 AGM. The 2023 Annual Report on Remuneration was put to shareholders for approval at the 2024 AGM. The voting at each AGM was conducted on a poll. The table below summarises the result of the poll votes on the 2023 Directors' Remuneration Policy and the 2023 Annual Report on Remuneration.

	Votes for	% for	Votes against	% against	Total votes cast	Votes withheld
Approval of the Directors' Remuneration Policy – 26 April 2023	202,837,628	98.7	2,691,456	1.3	205,529,084	3,199,709 (representing 1.00% of the issued share capital)
Approval of the Annual Report on Remuneration – 25 April 2024	201,313,537	97.24	5,719,285	2.76	207,032,822	241,139 (representing 0.0754% of the issued share capital)

### Statement of Remuneration Policy implementation 2025

A summary of the 2025 remuneration for each Executive Director is set out below:

Group Chief Executive pay	Chief Financial Officer pay
<ul style="list-style-type: none"> <li>base salary of £807,611 (review date 1 July);</li> <li>pension salary supplement of 9% (in line with the pension of salaried employees);</li> <li>benefits including life assurance, car allowance and phone costs;</li> <li>maximum annual bonus opportunity of 200% of base salary; and</li> <li>maximum PSP award of 200% of base salary.</li> </ul>	<ul style="list-style-type: none"> <li>base salary £530,000 (review date 1 July);</li> <li>pension/salary supplement of 9% (in line with the pension of the salaried employees);</li> <li>benefits including life assurance, car allowance and phone costs;</li> <li>maximum annual bonus opportunity of 150% of base salary; and</li> <li>maximum PSP award of 200% of base salary.</li> </ul>

### Annual bonus

Each Executive Director will be eligible for consideration of a bonus in respect of 2025, with maximum opportunities as referred to above. The majority of the bonus will continue to be based on financial metrics, being profit before tax (40%) and cash generation (20%). As these financial targets are commercially sensitive they will be disclosed in next year's Remuneration Report. As we continue to take action to improve our build quality and customer care, we have applied an appropriate level of non-financial cultural and ESG metrics which are key to our future success. Delivery of a stretching target level of performance will result in the Executive Director receiving 50% of the maximum award. 50% of any bonus earned will be deferred into shares for three years.

In 2025 there will be three non-financial metrics; 15% of bonus will be based on customer care measures, 20% will be based on quality and 5% will be based on health and safety. The customer care metric will be based on the strategy to retain our scores at the level required for a five-star rating based on the new methodology for the HBF Customer Satisfaction survey which incorporates a combined score based on four survey questions. The change to the HBF methodology means that there are no longer separate measures for the eight-week and nine-month scores. The quality measure will be based on the results of independent warranty provider inspections to drive continued improvement in build quality. These scores reset to zero at the start of each year meaning that attainment of the targets remains stretching.

Health and safety will be based on performance assessed against a weighted health and safety index and will support our strategic aim to move from compliance to excellence.

### Performance Share Plan awards

A PSP award will be made in March to the Group Chief Executive and Chief Financial Officer equal to 200% of base salary, with vesting subject to the performance conditions set out below.

The three-year performance period will run from 1 January 2025 to 31 December 2027. Awards will vest in 2028 subject to meeting the performance conditions, with a further two-year holding period before the shares can be released to the Executive Director.

PSP performance metrics are aligned with the Company's strategy to balance capital retained for investment in the business with returns to shareholders and future growth, and with relative TSR performance to link Executive Directors' reward to outperformance against the FTSE 51-100 (excluding financial services) together with the major housebuilders if they do not fall within this group. As we continue to drive cultural change in the business, we have retained a measure based on the HBF Customer Satisfaction Survey linked to the Company's purpose to build high quality homes for our customers, and an environmental metric linked to reducing our carbon emissions. Collectively, these are important factors in ensuring overall business performance, sustainability and reputation.





## PSP performance metrics and targets – financial measures

Financial metrics are based on relative TSR (23% of the overall award), cash generation subject to a ROCE underpin (24% of the overall award) and EPS (23%).

Our TSR metric remains unchanged from 2024. The small number of comparator housebuilders means that using the FTSE 51-100 in addition to sector peers provides a robust and relevant comparator group.

As noted in the Chair's statement EPS will be added as a metric for the 2025 awards. We believe that this will further align the awards to our strategy for growth.

We will continue to use a pre-land measure for cash generation. This is directly linked to strategy, encourages optimisation of sales volumes and prices of homes and encourages good cost control. It is also a measure which is easily understood by our management teams and therefore has a strong line of sight for them as participants in the PSP. Details of the targets are shown below:

Performance measure	Weighting	Threshold (25% vesting)	Target (50% vesting)	Maximum (100% vesting)
Relative TSR <sup>1</sup>	23%	Median	—	Upper quartile or above
EPS <sup>2</sup>	23%	100.8p	112p	123.2p
Average pre-land cash generation <sup>3,4</sup> over the three year performance period	24%	£619,903K	£729,298K	£838,693K

1. Compared to a peer group comprising those companies in the FTSE 51-100 (excluding financial services) together with the major housebuilders that do not fall within this group at the date of grant. The housebuilders are Barratt Redrow, Taylor Wimpey, Vistry Group, Bellway, The Berkeley Group and Crest Nicholson Holdings.
2. The EPS target is based on 2027 underlying EPS.
3. Net cash inflow before dividends, legacy building provision spend and net land payments.
4. A ROCE underpin has been maintained for the pre-land cash metric. This will be assessed by the Remuneration Committee at the time of vesting based on average ROCE over the performance period. ROCE = annual underlying profit from operations/average capital, where:
  - Annual Underlying Profit from Operations = 12 month consolidated Group profit before tax, interest, goodwill impairment and exceptional items;
  - Average Capital Employed = average of Capital Employed during the relevant calendar year; and
  - Capital Employed = Consolidated Shareholders Funds, plus consolidated borrowings, less consolidated cash holdings.

## PSP performance metrics and targets – cultural and environmental measures

For the 2025 awards, we will assess the customer care measure by reference to the overall Group scores because this aligns all participants with an improvement in Group performance. The target is aligned to achieving five-star status under the HBF Customer Satisfaction Survey, based on the new methodology which is being rolled out in 2025. The use of a combined score from four questions ensures that this captures a broad measure of customer satisfaction and is a critical part of our strategy. The use of a combined score means that the underpin applied in previous years is no longer needed and this has been removed. The Committee retains the discretion to amend the relevant target should the HBF announce a change to the score required in order to be awarded five-star status in March 2028 (the relevant

measurement date). The carbon reduction targets align with our Scope 1 and 2 absolute carbon reduction commitments and are based on the trajectory required to meet our 2030 commitment. Details are provided below:

Performance measure	Weighting	Threshold (25% vesting)	Target (50% vesting)	Maximum (100% vesting)
Customer care	20%	Group HBF score is 4.15%	Group HBF score is 4.20%	Group HBF score is 4.25% or above
HBF Five-Star score				
Environmental – Scope 1 and 2 carbon reduction	10%	22,273 tonnes CO <sub>2</sub> e from operations	—	20,045 tonnes CO <sub>2</sub> e or below from operations

## Discretion

The Remuneration Committee has discretion to override formulaic outcomes in relation to annual bonus awards and PSP awards. In line with market practice this includes the ability to adjust for exceptional or unforeseen items in order that performance is assessed on a fair and consistent basis. Any such exercise of discretion would be disclosed in the subsequent Directors' Remuneration Report.

## Chairman and NED fees

The Board as a whole determines the fees of the Non-Executive Directors, with the Non-Executive Directors being recused from that discussion and decision. The Remuneration Committee determines the Chair's fees. In line with Executive Directors and the wider workforce the Non-Executive Director and Chairman fees will typically be reviewed with an effective increase date of 1 July. In July 2024 the Chair fee and the fee for other Non-Executive Directors increased by 3%. Any increases to fees agreed in July 2025 are anticipated to be in line with or below those given to the wider workforce.

The fees applicable from 1 July 2024 are set out below, together with a comparison to the fee up to 1 July 2024.

Performance measure	Fees from 1 July 2024	Fees to 1 July 2024
Chairman	<b>£356,895</b>	£346,500
Non-Executive Director	<b>£68,958</b>	£66,950
Senior Independent Director	<b>£17,000</b>	£17,000
Audit & Risk Committee Chair	<b>£17,000</b>	£17,000
Nomination Committee Chair	<b>£17,000</b>	£17,000
Remuneration Committee Chair	<b>£17,000</b>	£17,000
Workforce Engagement NED fee	<b>£10,000</b>	£10,000

## Annemarie Durbin

### Chair of the Remuneration Committee

10 March 2025



## Remuneration continued

# Annual report on Remuneration continued

### Summary of Directors' Remuneration Policy

The Group's Remuneration Policy for Executive Directors and Non-Executive Directors was approved by shareholders at the AGM on 26 April 2023, and took effect from that date for a period of three years. The Policy received 98.7% votes in favour. A summary of the Policy for the Executive Directors, Chairman and Non-Executive Directors is set out below.

The entire Policy, as approved by shareholders, may be found on the Group's website at [www.persimmonhomes.com/corporate/investors/results-reports-and-presentations](http://www.persimmonhomes.com/corporate/investors/results-reports-and-presentations), in the 2022 Annual Report on pages 132 to 139. The Policy is forward-looking and intended to last for three years from its approval by shareholders, with a new policy intended to be submitted to shareholders at the 2026 AGM.

During the year there were no deviations from the Policy.

### Remuneration Policy for Executive Directors

Purpose	How it operates	Maximum payable	Performance framework
<b>Base salary</b> Core element of fixed remuneration reflecting individual's role and experience.	Usually reviewed annually with any increases normally taking effect from 1 July.  When reviewing salaries, consideration is given to any increases awarded to the Group's salaried employees, business and market conditions, and any change in a Director's role and experience.  Where an Executive Director is to be promoted or where their role is to be expanded or changed, the Committee will review the salary payable and decide whether an adjustment is appropriate.	The Committee does not consider it appropriate to set maximum salary levels. Any increases will generally be in line with or below increases applied to the Group's salaried employees (in percentage terms).  Increases may be made above that level in appropriate circumstances, which may include but are not limited to, promotions, where the Committee has purposefully set a lower starting salary for a newly appointed Director, or if a Director's salary is no longer market competitive or to reflect development and performance in role or a change in the size or complexity of the role.	Although performance conditions do not apply, the individual's performance is taken into account in determining the level of any salary increase.
<b>Pension/Salary supplement</b> Provide a competitive means of saving to deliver appropriate income in retirement.	Base salary is the only component of remuneration which is pensionable. The Company operates a defined contribution (DC) scheme.  A Director may receive a salary supplement in lieu of some or all of the pension benefits available under the schemes.	The maximum DC pension contribution or salary supplement (or combination of those two elements) is 9% of base salary, subject to any increase to take account of changes to the pension/salary supplement provided to the Group's salaried employees.	None.
<b>Benefits</b> Provided on a market competitive basis.	The benefits include: a fully financed car or cash car allowance, group medical scheme membership, life assurance, provision of a mobile phone (or reimbursement of mobile phone costs), and income protection scheme membership.  The Committee does not currently expect to change the range of benefits offered to Executive Directors but retains the discretion to add to the benefits available in appropriate circumstances, which may include providing relocation allowances where appropriate.	The Committee has not set a maximum value of benefits for Executive Directors, but the value will be set at a level which the Committee considers to be appropriately positioned, taking into account the nature and location of the role and individual circumstances.	None.



Purpose	How it operates	Maximum payable	Performance framework
<b>HMRC qualifying all-employee scheme</b> HMRC qualifying all-employee share schemes are to encourage employees to take a stake in the business, which aligns their interest with that of shareholders.	Executive Directors are eligible to participate in all-employee schemes on the same basis as other qualifying employees.	Maximum is subject to limits in the applicable tax legislation.	None, in line with usual practice.
<b>Annual bonus</b> The annual bonus rewards Executive Directors for performance in the relevant year against targets and objectives linked to the delivery of the Company's strategy.	<p>50% of any annual bonus earned is paid in cash.</p> <p>To further link the Executive Directors' pay to the interests of shareholders, 50% of any bonus earned (subject to a de minimis limit of £5,000) is deferred into shares for three years.</p> <p>The Committee has the discretion to override the formulaic outturn of the bonus, including where it believes the outcome is not reflective of underlying performance or is not appropriate in the context of circumstances that were unexpected or unforeseen at the start of the bonus year.</p> <p>Vesting of deferred bonus awards is not subject to further performance conditions.</p> <p>Deferred bonus awards may incorporate the right to receive additional shares calculated by reference to the value of dividends which would have been paid on the shares up to the time of vesting.</p> <p>Recovery provisions apply, as referred to below.</p>	The maximum annual bonus potential is 200% of base salary for the Group Chief Executive and up to 175% of base salary for other Executive Directors. Maximum bonus is only payable if stretching targets are met.	<p>Annual bonus performance conditions are set annually by the Committee to ensure that they take into consideration the Company's strategy and the outlook for the Company over the medium-term and are appropriate from a risk perspective.</p> <p>Financial metrics such as profit, and cash generation will have the majority weighting. Non-financial metrics such as customer care and quality, where applied, will have a minority weighting.</p> <p><b>Financial metrics:</b>            Subject to the Committee's discretion to override formulaic outturns, payment at threshold performance is up to 20% of the maximum, up to 50% of the maximum will be payable for on-target performance and all of the bonus will be payable for maximum performance.</p> <p><b>Non-financial strategic or individual metrics:</b>            Subject to the Committee's discretion to override formulaic outturns, payment of the non-financial strategic or individual metrics will apply on a scale between 0% and 100% of that element based on the Committee's assessment of the extent to which a non-financial performance metric has been met.</p>



## Remuneration continued

# Annual report on Remuneration continued

### Remuneration Policy for Executive Directors continued

Purpose	How it operates	Maximum payable	Performance framework
<p><b>The PSP</b></p> <p>To provide a link between the remuneration of Executive Directors and the creation of shareholder value by rewarding Executive Directors for the achievement of longer term objectives aligned to shareholder interests.</p>	<p>Under the PSP, the Committee may grant awards as conditional shares, nil-cost options or in such other form as the Committee determines has a substantially similar economic effect.</p> <p>Awards vest subject to the satisfaction of performance conditions assessed over a period of not less than three years.</p> <p>The Committee has the discretion to reduce the formulaic vesting outturn applying to any PSP award, including where it believes the outcome is not reflective of underlying performance or is not appropriate in the context of circumstances that were unexpected or unforeseen at the date of grant. The Committee also has the discretion to adjust awards due to windfall gains if it believes this to be appropriate.</p> <p>Awards are granted subject to a holding period of two years following the end of the performance period, with the awards usually only released to the Executive Director (so that the Executive Director can acquire the shares subject to the award) following the end of the holding period.</p> <p>PSP awards may incorporate the right to receive additional shares calculated by reference to the value of dividends which would have been paid on the shares up to the time of release.</p> <p>Recovery provisions apply, as referred to below.</p>	<p>The usual maximum award level in respect of any financial year of the Company is 200% of base salary. However, in exceptional circumstances (such as on recruitment of an Executive Director), awards may be granted in respect of any financial year of the Company at the level of up to 300% of base salary.</p>	<p>Performance conditions applying to awards under the PSP will be based on financial and/or strategic measures aligned to the Company's long-term strategy, which may include, but are not limited to, cash generation, relative TSR, cultural and environmental metrics.</p> <p>Awards will vest as to 25% for threshold performance, increasing to 100% for maximum performance.</p>



Share ownership guidelines  
In-service requirement

During employment, Executive Directors are required to acquire and retain shares with a value equal to 400% of base salary. The Committee expects that a holding with a value equal to 200% of salary will be achieved within five years of appointment, with the balance of the guideline acquired within a period agreed with the Chairman. Progress towards the guideline will be reviewed regularly. Executive Directors will be required to retain all shares acquired under the PSP and deferred bonus awards, on a net of tax basis, until the shareholding guideline is met, unless in exceptional circumstances the Committee exercises discretion to vary this requirement.

Post-employment requirement

Following employment, Executive Directors are required to retain for a period of two years such number of shares as they were required to acquire and retain during employment (or, if fewer, the number of shares they held at the date of cessation of employment). Shares which the Executive Director purchases or acquires pursuant to the Company’s SAYE scheme will not be subject to any post-employment holding requirement. The Committee retains discretion to vary this requirement in exceptional circumstances.

Recovery Provisions (malus and clawback)

Recovery provisions may be applied in the event of the following:

- a material misstatement of any Group member’s financial results;
- gross misconduct on the part of the participant which affects substantially the financial performance or reputation of a Group member;
- an error in assessing a performance condition;
- a material failure of risk management;
- serious reputational damage to any Group member;
- serious misconduct or material error on the part of the participant;
- a material corporate failure;
- a failure of acceptable health and safety standards, which may include a fatality; or
- any other circumstances considered to be similar in their nature or effect to those set out above.

The recovery provisions may be applied in the case of the annual bonus for three years from the date on which the amount of the bonus is determined and, in the case of PSP awards, until the fifth anniversary of the grant date.

Operation of share plans

The Committee may amend the terms of awards and options under its share plans in accordance with the plan rules in the event of a variation of the Company’s share capital or a demerger, special dividend or other similar event or otherwise in accordance with the terms of the plans. The Committee will operate any such plan in accordance with its rules. Share awards granted under any such plan may be settled (in whole or in part) in cash, although the Committee would only do so where the particular circumstances made it appropriate to do so – for example, where there is a regulatory restriction on the delivery of shares.

Choice of performance conditions

Annual bonus conditions	Rationale for selection and how performance targets are set
<b>Profit before tax and cash generation</b> Customer satisfaction, quality, and/or other non-financial, strategic, or personal measure	Aligned with the Company’s strategy to deliver high quality growth and return cash to shareholders. These are important factors in ensuring overall business performance, sustainability and reputation. Cash generation is critical over both the short and longer-term and therefore it is included in both the annual bonus and PSP.  Annual bonus performance measures and targets are reviewed annually by the Committee to ensure that they take into consideration the Company’s strategy and the outlook for the Company over the medium-term and are appropriate from a risk perspective.
PSP	Rationale for selection and how performance targets are set
<b>Cash generation</b> (subject to Return on Capital Employed underpin)	Performance conditions for the PSP will be determined by the Committee and aligned with the Company’s strategy. The rationale for the proposed performance conditions is as follows.  <b>Cash generation:</b> Ensures generation of cash to fund returns to shareholders is the result of long-term sustainable financial performance which is a core element of the strategy. Return on Capital Employed underpin ensures that returns to shareholders are the result of long-term sustainable financial performance.
<b>Relative TSR</b> A cultural metric and/or environmental metrics	<b>Relative TSR:</b> Provides a means of comparing the Company’s performance with that of peers. Aligns the rewards received by Executives with the returns received by shareholders. Ensures rewards are linked to outperformance of sector peers. Aligned with market practice in wider FTSE 100 and sector peers.  Cultural and environmental metrics support our future success and reflect the importance to the Group of environmental considerations.

The Committee retains the right to adjust or set different performance measures if events occur (such as, but not limited to, a change in strategy, a material acquisition and/or a divestment of a Group business or a change in prevailing market conditions), which cause the Committee to determine that the measures are no longer appropriate and that amendment is required so that they achieve their original purpose.

Differences between the Executive Directors’ and general employees’ remuneration policy

Performance related pay makes up a significantly higher proportion of remuneration for the Executive Directors and senior employees than for employees generally, reflecting the role of these individuals in managing the business to achieve the Company’s strategic objectives. The Committee considers that the emphasis on performance related pay for Executive Directors and senior employees closely aligns the Directors’ interests with those of shareholders and helps to deliver excellent long-term Company performance. All employees are able to participate in share ownership either through the PSP or the SAYE which is operated on an annual basis. Over 200 employees received a PSP award in 2023.



## Remuneration continued

# Annual report on Remuneration continued

### Non-Executive Directors

Purpose	How it operates	Maximum payable	Performance framework
<b>Fees</b> Fees are the principal element of Non-Executive Directors' remuneration and set at a level appropriate to attract Non-Executive Directors with a broad range of skills and experience to complement the Board.  Non-Executive Directors with diverse skills and experience will assist the Board when setting the Company's strategy and overseeing its successful implementation.  Benefits relevant to the role may also be provided.	Fees for the Chairman are determined by the Committee and fees for other Non-Executive Directors are determined by the Board as a whole. They are set at levels, commensurate with the individual's duties and responsibilities for a company of our size and complexity.  Fees are reviewed annually with any increases normally taking effect from 1 July.  When reviewing fees consideration is given to market conditions, the size of the business and any increases awarded to the Group's salaried employees.  Non-Executive Directors do not receive bonus, pension or salary supplement payments or share scheme awards. Benefits may be provided in connection with the undertaking by a Non-Executive Director of their duties.  Reimbursed expenses may include a gross-up to reflect any tax or social security due in respect of the reimbursement.	Increases to Non-Executive Directors' fees will be determined having regard to increases applied to the Group's salaried employees (in percentage terms), although fee increases may be awarded above this level in appropriate circumstances including (but not limited to): where there has been a change in market practice; where there has been a change in the size or complexity of the business; where there has been an increase in the time commitment required for the role.  Additional fees are payable to Non-Executive Directors for extra responsibilities, such as chairing a Board committee, holding the office of Senior Independent Director, or the office of Workforce Engagement Non-Executive Director, or any other additional responsibilities.	N/A

### Recruitment and promotion policy

#### Ongoing remuneration

The Committee's approach to recruitment remuneration is to pay no more than is necessary to attract candidates with the appropriate skills for the housebuilding industry. The Committee retains discretion to include other elements of remuneration which are not included in the provisions of the 2023 Policy set out above should business needs require. However, this discretion is subject to the following principles and limitations, and the commercial rationale for taking such action will be disclosed in the following Annual Report on Remuneration.

- In general our policy is to set salaries based on the market rate. In certain circumstances the salary for a new Executive Director may be set below the normal market rate, with increases over such period as the Committee determines as the Director gains experience in their new role.
- Pension/salary supplement benefits will be provided in line with the provisions of the 2023 Policy set out above.
- The variable remuneration that may be awarded will be subject to the applicable limit set out below.
- Without prejudice to the ability to offer additional cash and/or share-based elements to take account of remuneration relinquished when leaving the former employer as discussed below, the discretion will not be used to make non-performance related incentive payments.

Examples of the circumstances in which these other elements may be provided include:

- an interim appointment being made to fill an Executive Director role on a short-term basis;

- if exceptional circumstances require that the Chairman or a Non-Executive Director takes on an executive function on a short-term basis; and
- if an Executive Director is recruited at a time in the year when it would be inappropriate to provide a bonus or a PSP award for that year as there would not be sufficient time to assess performance, subject to the applicable limit on variable remuneration set out below, the quantum in respect of the months employed during the year may be transferred to the subsequent year so that reward is provided on a fair and appropriate basis.

The Committee may alter the performance measures and vesting/deferral/holding period of annual bonus and PSP awards to take account of the circumstances of the recruitment.

The maximum level of variable remuneration which may be granted to a new Executive Director on appointment (excluding any award to take account of remuneration relinquished when leaving the former employer) will be 475% of salary and, for a new Chief Executive, 500% of salary.

As described in the policy tables above, it may also be necessary to offer relocation benefits for external and internal appointments.

#### 'Buy-out' awards

The Committee may offer additional cash and/or share-based elements at recruitment when it considers these to be in the best interests of the Company (and therefore shareholders) to take account of remuneration relinquished when leaving the former employer and would take account of the nature, time horizons and performance requirements attaching to that remuneration. These awards will ordinarily be granted on the basis that they are subject to forfeiture or 'clawback' in the event of departure within 12 months of joining the Company, although the Committee will retain discretion to not apply forfeiture or clawback in appropriate circumstances.

#### Internal appointments

For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role will be allowed to pay out according to its terms.

#### Non-Executive Director appointments

The remuneration package for a newly appointed Non-Executive Director would be in line with the structure set out in the policy table for Non-Executive Directors.





## Statement of Directors' responsibilities

### In respect of the Annual Report and the financial statements

The current Directors are listed on pages 84 to 85 and are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations. Such law requires the preparation of the Group financial statements in accordance with UK adopted International Accounting Standards and the preparation of the Parent Company financial statements in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied in accordance with section 408 of the Companies Act 2006.

Company law requires that Directors prepare Group and Parent Company financial statements for each financial year. However, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether for the Group financial statements they have been prepared in accordance with UK adopted International Accounting Standards, and for the Parent Company financial statements that they have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied in accordance with section 408 of the Companies Act 2006; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Responsibility statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

On behalf of the Board,

**Dean Finch**  
Group Chief Executive  
10 March 2025

**Andrew Duxbury**  
Chief Financial Officer  
10 March 2025



# Independent auditor’s report

To the members of Persimmon Plc

## Opinion

In our opinion:

- Persimmon plc’s group financial statements and parent company financial statements (the “financial statements”) give a true and fair view of the state of the group’s and of the parent company’s affairs as at 31 December 2024, and of the group’s profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted international accounting standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Persimmon plc (the ‘parent company’) and its subsidiaries (the ‘group’) for the year ended 31 December 2024 which comprise:

Group	Parent company
Consolidated balance sheet as at 31 December 2024	Balance sheet as at 31 December 2024
	Statement of changes in equity for the year then ended
Consolidated statement of comprehensive income for the year then ended	Statement of changes in equity for the year then ended
Consolidated statement of changes in shareholders’ equity for the year then ended	Statement of cash flows for the year then ended
Consolidated statement of cash flows for the year then ended	Related notes 1 to 33 to the financial statements, including: material accounting policy information
Related notes 1 to 33 to the financial statements, including: material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with section 408 of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC’s Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting the audit.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors’ assessment of the group and parent company’s ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Group’s financial close process, confirming our understanding of management’s going concern assessment process;
- Obtaining management’s going concern assessment, including the cash forecasts and covenant calculations for the going concern period which covers the period to 30 June 2026 and testing them for arithmetic accuracy. Management prepared a base case scenario that assumes an increase in volumes and selling price from those achieved in 2024 and a critical but plausible downside scenario which, reflects the initial impact of the prior global financial crisis for 2025 with recovery in line with market expectations during the first half of 2026. Additionally, management has prepared an extreme scenario reflecting the impact of the global financial crisis for 2026 but with no recovery, and a reverse stress test;
- Challenging the appropriateness of the key assumptions in management’s base case forecast and comparing them to the Group’s historic performance and industry predictions;
- Challenging management’s consideration of a reasonable worst-case scenario (the critical but plausible downside), evaluating whether the impact of a prolonged downturn in trading had been appropriately included and whether climate risk may materially impact the going concern assessment;
- Considering management’s reverse stress test in order to identify and understand what factors and how severe a downside scenario would have to be to result in the Group utilising all liquidity or breaching a financial covenant during the going concern period;
- Assessing the plausibility of management’s downside scenarios, including the reverse stress test, by comparing to third-party data, including industry predictions, for indicators of contradictory evidence;
- Considering the amount and timing of mitigating factors under the Group’s control that could preserve cash if required; and
- Reviewing the Group’s going concern disclosures included in the annual report in order to assess whether they were appropriate and in conformity with the reporting standards.



## Conclusions relating to going concern continued

In each of the plausible scenarios modelled, the Group maintains headroom throughout the Going Concern period to 30 June 2026 through use of cash at bank and the £700m Revolving Credit Facility (Expiring 5 July 2029). Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period 30 June 2026.

In relation to the group and parent company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

## Overview of our audit approach

<b>Audit scope</b>	<ul style="list-style-type: none"> <li>We performed an audit of the complete financial information of one component and audit procedures on specific balances for a further three components and central procedures on intercompany, equity, tax and cash.</li> </ul>
<b>Key audit matters</b>	<ul style="list-style-type: none"> <li>Revenue recognition</li> <li>Inventory valuation and profit recognition</li> <li>Legacy Buildings Provision</li> </ul>
<b>Materiality</b>	<ul style="list-style-type: none"> <li>Overall group materiality of £19.7m which represents 5% of adjusted profit before tax.</li> </ul>

## An overview of the scope of the parent company and group audits

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We identified four components as individually relevant to the Group due to relevant events and conditions underlying the identified risks of material misstatement of the group financial statements being associated with the reporting components.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the group significant financial statement account balance.

We then considered whether the remaining group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the group financial statements.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the four components selected, we designed and performed audit procedures on the entire financial information of one component ("full scope components"). For three components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ("specific scope components").

Across these four components, we performed centralised audit procedures on intercompany, equity, tax, and cash.

Our scoping to address the risk of material misstatement for each key audit matter covered 100% of each key audit matter.

### Involvement with component teams

All audit work performed for the purposes of the audit was undertaken by the Group audit team.

### Climate change

Stakeholders are increasingly interested in how climate change will impact companies. The Group has determined that the most significant future impacts from climate change on its operations will be from the various factors explained on pages 60 to 69 in the required Task Force On Climate Related Financial Disclosures and on page 72 in the principal risks and uncertainties. They have also explained their climate commitments on pages 68 to 69. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information". In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in its basis of preparation accounting policy note (Note 2), its articulation of how climate change has been reflected in the financial statements. There are no significant judgements or estimates relating to climate change in the notes to the financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating whether management's assessment of the impact of the physical climate risk of flooding has been appropriately reflected in inventory asset values and whether the impact of costs associated with the Group's planned transition to net zero have been appropriately reflected in the projected financial information used for the assessment of the Group's viability and impairment. As part of this evaluation, we performed our own risk assessment to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, whilst we have not identified the impact of climate change on the financial statements to be a standalone key audit matter, we have considered the impact on the following key audit matter: inventory valuation. Details of the impact, our procedures and findings are included in our explanation of the key audit matter below.



## Independent auditor's report continued

To the members of Persimmon Plc

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b>Inventory valuation and profit recognition</b></p> <p><b>Inventory (Land): £2,265.6m (2023: £2,103.5m)</b></p> <p><b>Inventory (WIP): £1,426.3m (2023: £1,431.3m)</b></p> <p><b>Cost of Sales (before exceptionals): £2,620.3m (2023: £2,253.1m)</b></p> <p><i>Refer to the Audit Committee Report (page 111); Accounting policies (pages 156 to 160); and Note 18 of the Consolidated Financial Statements (page 168)</i></p> <p>There is a risk that the margin used to recognise profit on each development is incorrect and that the carrying value of WIP and land could be subject to impairment write downs.</p> <p>The carrying value of inventory is determined by reference to a number of assumptions inherent in the site forecasts, such as costs to complete and expected selling price, that are used to calculate the expected margin on each development and the cost of sale therefore recorded when a plot is sold.</p>	<p>We performed the following procedures over this risk area:</p> <ul style="list-style-type: none"> <li>• We performed walkthroughs to understand the key processes and identify key controls;</li> <li>• We performed testing on the Group's controls over the WIP and profit recognition process and purchases. We considered management's bi-monthly valuation process to be the key control. We attended a sample of regional valuation meetings virtually to observe the level of management challenge of the assumptions within the site valuations. For a sample of meetings for a sample of months, we inspected valuation meeting packs to ensure that the appropriate individuals were in attendance at the meeting, that all sites were considered and that aggregate site variances in excess of £2,900 had been appropriately challenged. We also inspected action logs for a sample of meetings to ensure that open matters were followed up and updated in the forecasts timely;</li> <li>• We performed a substantive analytical review for the total cost of sales balance based on an overall group margin expectation;</li> <li>• We selected a sample of costs incurred in the year and agreed them to source documentation (i.e. purchase invoice), ensuring that the costs had been appropriately allocated to sites;</li> <li>• For all sites completed in the year, we analysed the margins throughout the site's life so as to evidence management's historic forecasting accuracy using our bespoke analytics tool. We used insights from this tool to inform our testing;</li> <li>• For a sample of journal entries to cost of sales in the year, we have checked that the margin recorded ties to the latest projected margin;</li> <li>• We performed sensitivity analysis on low margin sites held in WIP at the year end. We have assessed and challenged management's land impairment exercise; and</li> <li>• For assets located in a Zone 3 (higher flooding risk) area, we evaluate whether there is any potential impairment risk due to potential flooding</li> </ul>	<p>Based on our audit procedures we have concluded that the inventory balance and profit recognised in the year are not materially misstated.</p>



## Key audit matters continued

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b>Appropriateness of legacy buildings provision</b></p> <p><b>Legacy buildings provision: £235.3m (2023: £283.2m)</b></p> <p><i>Refer to the Audit Committee Report (page 111); Accounting policies (pages 156 to 160); and Note 22 of the Consolidated Financial Statements (page 170)</i></p> <p>There is estimation uncertainty and subjectivity in determining the most likely costs which will be required to remediate affected properties based on the latest legal interpretation and government guidance. There is a risk that the legacy building provision is misstated either through management bias or error.</p> <p>The key estimates we identified were in respect of the costs to settle the obligation and the assumptions used by management in relation to discounting and inflation.</p>	<p>We performed the following procedures over this risk area:</p> <ul style="list-style-type: none"> <li>• We performed walkthroughs to understand the key processes and identify key controls; We read and understood the relevant laws and regulations including government guidance;</li> <li>• We performed a comparison of the estimated costs versus the actual costs incurred to determine if the methodology applied by management is accurate;</li> <li>• We obtained management's provision schedule, which showed the brought forward provision and the current year increases relating to new sites identified and the various categories of additional costs identified as a result of updated tenders or additional scope requirements or contract variations and understood the basis for significant movements;</li> <li>• For a sample of spend in the year we agreed costs to third party support (e.g. supplier invoices);</li> <li>• On a sample basis, we tested the movements in individual development provisions. For those tendered, we agreed the expected cost to supporting third party documentation (i.e. subcontractor tenders). For those untendered, we assessed management's estimate by reference to the cost per square metre of those already tendered;</li> <li>• We performed sensitivity analysis on the interest rate, discount rate and estimate based on tendered costs in the provision to establish whether these could give rise to material variances;</li> <li>• To assess completeness, we performed a media search of buildings in scope of the Building Safety regulation that are linked to Persimmon building work to see if there was any contrary evidence. We also searched the Ministry of Housing, Communities &amp; Local Government (MHCLG)'s reports sent via email to the client and reports on their website for detail of any claims or notifications received by them relating to Persimmon or its subsidiaries; and</li> <li>• We assessed the appropriateness of the disclosures included within the Financial Statements in relation to provisions, including the disclosure of the assumptions and associated sensitivities in relation to the key sources of estimation uncertainty.</li> </ul>	<p>Based on our audit procedures we have concluded that Legacy Buildings Provision is appropriately recognised.</p>
<p><b>Revenue recognition</b></p> <p><b>Revenue: £3,200.7m (2023: £2,773.2m)</b></p> <p><i>Refer to the Audit Committee Report (page 110); Accounting policies (pages 156 to 160); and Note 5 of the Consolidated Financial Statements (page 161)</i></p> <p>There is a potential risk of material misstatement within revenue, particularly in relation to revenue being recorded in the wrong period, due to cut off errors or management bias.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> <li>• We performed walkthroughs to understand the key processes and identify key controls;</li> <li>• We tested whether revenue was recorded in the correct period by selecting a sample from the housing sales recorded within two weeks either side of the year end and testing that the sales selected had legally completed and settled in cash in the period in which they were accounted for;</li> <li>• We performed procedures using EY bespoke data analytics tools to test the appropriateness of journal entries recorded in the general ledger by correlating sales postings with cash receipts throughout the year;</li> <li>• We tested all material manual journals posted to revenue to assess for any evidence of management override by checking to supporting documentation; and</li> <li>• In relation to the bulk sale arrangements with various investors, we considered the IFRS 15 principles to understand any implications on the revenue recognition.</li> </ul>	<p>Based on our audit procedures we have concluded that revenue is appropriately recognised, and that there was no evidence of management override.</p>



## Independent auditor's report continued

To the members of Persimmon Plc

### Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

#### Materiality

*The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.*

We determined materiality for the Group to be £19.7m (2023: £17.6m), which is 5% (2023: 5%) of adjusted profit before tax (2023: profit before tax). We believe that adjusted profit before tax provides us with us with an appropriate basis for materiality and is the most relevant for stakeholders, as it is a focus of both management and investors.

We determined materiality for the Parent Company to be £17.3m (2023: £18.4m), which is 1% (2023: 1%) of equity.

#### Performance materiality

*The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.*

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2023: 75%) of our planning materiality, namely £14.8m (2023: £13.2m). We have set performance materiality at this percentage based on our assessment of the control environment of the Group and expectation of errors.

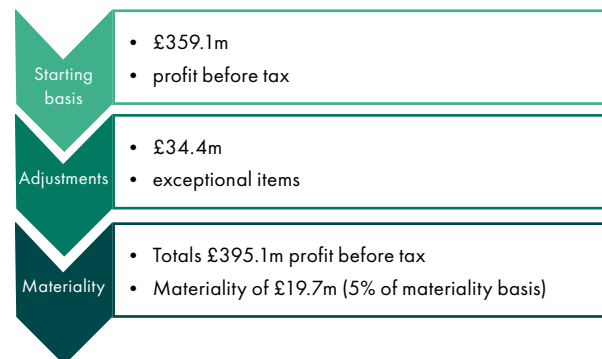
Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £2.9m to £8.8m (2023: £3.9m to £9.8m).

#### Reporting threshold

*An amount below which identified misstatements are considered as being clearly trivial.*

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £1.0m (2023: £0.9m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.



### Other information

The other information comprises the information included in the annual report set out on pages 1 to 143. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.





## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

## Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 115;
- Directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on page 76;
- Directors' statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 115;
- Directors' statement on fair, balanced and understandable set out on page 143;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 70 to 75;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 88; and
- The section describing the work of the audit committee set out on page 107 to 114

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 143, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK adopted international accounting standards, the Companies Act 2006 and the UK Corporate Governance Code) tax compliance legislation, employment law and building safety legislation.
- We understood how Persimmon plc is complying with those frameworks by making enquiries of management, Internal Audit, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through our review of board minutes and papers provided to the Audit Committee.



## Independent auditor's report continued

To the members of Persimmon Plc

### Auditor's responsibilities for the audit of the financial statements continued

#### Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud continued

- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur through internal team conversations and inquiry of management and those charged with governance to understand where it considered there was a susceptibility for fraud. We corroborated our enquiries through other work performed and made inquiries of management to identify if there are matters where there is a risk of breach of such frameworks that could have a material adverse impact on the company, as well as consideration of the results of our audit procedures across the company. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. We also considered performance targets and their propensity to influence efforts made by management to manage earnings. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud and error. We also utilised our analytics tools and paid particular attention to manual journals in order to address the risk of management override. Where necessary we involved forensic specialists to support the audit team in evaluating and concluding on our testing performed in relation to management override.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries about any instances of non-compliance with the Group management and Internal Audit and understanding of the impact of any such non-compliance upon our audit. We engaged internal specialists as required when designing and executing audit procedures. We also performed journal entry testing, with a focus on manual consolidation journals, and journals indicating large or unusual transactions based on our understanding of the business; and focused testing, as referred to in the key audit matters section above. In addition, we completed procedures to conclude on the compliance of the disclosures in the Annual Report and Accounts with the requirements of the relevant accounting standards, UK legislation and the UK Corporate Governance Code.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the company on 14 April 2016 to audit the financial statements for the year ending 31 December 2016 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is 9 years, covering the years ending 31 December 2016 to 31 December 2024.
- The audit opinion is consistent with the additional report to the audit committee.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Victoria Venning**  
**(Senior statutory auditor)**  
**for and on behalf of Ernst & Young LLP, Statutory Auditor**  
**Manchester**  
 10 March 2025



## Consolidated statement of comprehensive income

For the year ended 31 December 2024

	Note	2024 Total £m	2023 Total £m
Revenue	5	3,200.7	2,773.2
Cost of sales		(2,620.3)	(2,253.1)
<b>Gross profit</b>		<b>580.4</b>	520.1
<b>Analysed as:</b>			
Underlying gross profit		582.4	520.1
Exceptional - Legacy buildings provision (through Cost of Sales)	6	(2.0)	—
Other operating income		9.8	8.6
Operating expenses		(196.0)	(181.8)
Exceptional - Impairment of a financial asset		(25.0)	—
<b>Profit from operations</b>	10	<b>369.2</b>	346.9
<b>Analysed as:</b>			
Underlying operating profit		405.2	354.5
Exceptional - Legacy buildings provision (through Cost of Sales)		(2.0)	—
Exceptional - Impairment of a financial asset	6	(25.0)	—
Exceptional - Project fees	6	(7.4)	—
Impairment of intangible assets	14	(1.6)	(7.6)
Finance income	9	11.1	19.7
Finance costs	9	(21.2)	(14.8)
<b>Profit before tax</b>		<b>359.1</b>	351.8
<b>Analysed as:</b>			
Underlying profit before tax		395.1	359.4
Exceptional items		(34.4)	—
Impairment of intangible assets	14	(1.6)	(7.6)
Tax	11.1	(92.0)	(96.4)
<b>Profit after tax</b> (all attributable to equity holders of the parent)	13	<b>267.1</b>	255.4

	Note	2024 Total £m	2023 Total £m
<b>Other comprehensive expense</b>			
Items that will not be reclassified to profit:			
Remeasurement loss on defined benefit pension schemes	28	(1.5)	(35.1)
Tax	11.2	0.4	9.8
<b>Other comprehensive expense for the year, net of tax</b>		<b>(1.1)</b>	(25.3)
<b>Total recognised income for the year</b>		<b>266.0</b>	230.1
<b>Earnings per share</b>			
Basic	13	<b>83.6p</b>	80.0p
Diluted	13	<b>82.7p</b>	79.5p

The Company is taking advantage of the exemption in section 408 of the Companies Act 2006 not to present its individual statement of comprehensive income.



## Balance sheets

As at 31 December 2024

	Note	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
<b>Assets</b>					
<b>Non-current assets</b>					
Intangible assets	14	164.6	165.4	0.7	—
Property, plant and equipment	15	154.6	140.5	10.5	8.3
Investments accounted for using the equity method	16.1	0.3	1.0	—	—
Investments in subsidiaries	16.2	—	—	3,205.7	3,205.7
Shared equity loan receivables	17	25.7	27.2	—	—
Trade and other receivables	19	—	6.9	2,045.6	2,040.4
Deferred tax assets	24	9.2	11.5	6.2	4.3
Retirement benefit assets	28	130.7	127.1	130.7	127.1
		485.1	479.6	5,399.4	5,385.8
<b>Current assets</b>					
Inventories	18	3,902.8	3,701.2	—	—
Shared equity loan receivables	17	3.3	4.9	—	—
Trade and other receivables	19	167.8	182.0	28.6	17.3
Cash and cash equivalents	26	258.6	420.1	182.0	241.0
Current tax assets		15.8	—	—	—
		4,348.3	4,308.2	210.6	258.3
<b>Total assets</b>		<b>4,833.4</b>	<b>4,787.8</b>	<b>5,610.0</b>	<b>5,644.1</b>

	Note	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Trade and other payables	21	(196.2)	(178.7)	(2.3)	(1.3)
Deferred tax liabilities	24	(73.1)	(64.9)	(38.7)	(37.1)
Partnership liability	29	(10.3)	(15.1)	—	—
Legacy buildings provision	22	(123.9)	(161.7)	—	—
		(403.5)	(420.4)	(41.0)	(38.4)
<b>Current liabilities</b>					
Trade and other payables	21	(806.3)	(821.7)	(3,796.7)	(3,655.1)
Partnership liability	29	(5.6)	(5.6)	—	—
Current tax liabilities		—	(0.1)	—	—
Legacy buildings provision	22	(111.4)	(121.5)	—	—
		(923.3)	(948.9)	(3,796.7)	(3,655.1)
<b>Total liabilities</b>		<b>(1,326.8)</b>	<b>(1,369.3)</b>	<b>(3,837.7)</b>	<b>(3,693.5)</b>
<b>Net assets</b>		<b>3,506.6</b>	<b>3,418.5</b>	<b>1,772.3</b>	<b>1,950.6</b>
<b>Equity</b>					
Ordinary share capital issued	25	32.0	31.9	32.0	31.9
Share premium		25.6	25.6	25.6	25.6
Capital redemption reserve		236.5	236.5	236.5	236.5
Other non-distributable reserve		276.8	276.8	—	—
Retained earnings		2,935.7	2,847.7	1,478.2	1,656.6
<b>Total equity</b>		<b>3,506.6</b>	<b>3,418.5</b>	<b>1,772.3</b>	<b>1,950.6</b>

The profit for the year dealt with in the accounts of the Company is £0.5m (2023: £156.0m).

The financial statements of Persimmon Plc (company number: 1818486) on pages 151 to 194 were approved by the Board of Directors on 10 March 2025 and were signed on its behalf by:

**Dean Finch**  
Group Chief Executive

**Andrew Duxbury**  
Chief Financial Officer



## Statement of changes in shareholders' equity

For the year ended 31 December 2024

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Other non-distributable reserve £m	Retained earnings £m	Total £m
<b>Group</b>							
Balance at 1 January 2023		31.9	25.6	236.5	276.8	2,868.5	3,439.3
Profit for the year		—	—	—	—	255.4	255.4
Other comprehensive expense		—	—	—	—	(25.3)	(25.3)
<b>Transactions with owners:</b>							
Dividends on equity shares	12	—	—	—	—	(255.4)	(255.4)
Own shares purchased		—	—	—	—	(1.2)	(1.2)
Share-based payments		—	—	—	—	5.7	5.7
Balance at 31 December 2023		31.9	25.6	236.5	276.8	2,847.7	3,418.5
Profit for the year		—	—	—	—	267.1	267.1
Other comprehensive expense		—	—	—	—	(1.1)	(1.1)
<b>Transactions with owners:</b>							
Dividends on equity shares	12	—	—	—	—	(191.8)	(191.8)
Issues of new shares	25	0.1	—	—	—	—	0.1
Own shares purchased	25	—	—	—	—	(0.2)	(0.2)
Share-based payments		—	—	—	—	14.0	14.0
<b>Balance at 31 December 2024</b>		<b>32.0</b>	<b>25.6</b>	<b>236.5</b>	<b>276.8</b>	<b>2,935.7</b>	<b>3,506.6</b>

The other non-distributable reserve arose prior to transition to IFRSs and relates to the issue of ordinary shares to acquire the shares of Beazer Group Plc in 2001.



## Statement of changes in shareholders' equity continued

For the year ended 31 December 2024

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Retained earnings £m	Total £m
<b>Company</b>						
Balance at 1 January 2023		31.9	25.6	236.5	1,777.8	2,071.8
Profit for the year		—	—	—	156.0	156.0
Other comprehensive expense		—	—	—	(25.3)	(25.3)
<b>Transactions with owners:</b>						
Dividends on equity shares	12	—	—	—	(255.4)	(255.4)
Own shares purchased		—	—	—	(1.2)	(1.2)
Share-based payments		—	—	—	4.7	4.7
Balance at 31 December 2023		31.9	25.6	236.5	1,656.6	1,950.6
Profit for the year		—	—	—	0.5	0.5
Other comprehensive expense		—	—	—	(1.1)	(1.1)
<b>Transactions with owners:</b>						
Dividends on equity shares	12	—	—	—	(191.8)	(191.8)
Issues of new shares	25	0.1	—	—	—	0.1
Own shares purchased	25	—	—	—	(0.2)	(0.2)
Share-based payments		—	—	—	14.2	14.2
<b>Balance at 31 December 2024</b>		<b>32.0</b>	<b>25.6</b>	<b>236.5</b>	<b>1,478.2</b>	<b>1,772.3</b>

During the year the Company received dividends from wholly owned subsidiary undertakings of £nil (2023: £155.0m).

Retained earnings include £0.7m of non-distributable items (2023: £0.7m).





## Cash flow statements

For the year ended 31 December 2024

Note	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
<b>Cash flows from operating activities:</b>				
Profit for the year	267.1	255.4	0.5	156.0
Tax charge 11.1	92.0	96.4	0.1	0.7
Finance income 9	(11.1)	(19.7)	(7.6)	(15.5)
Finance costs 9	21.2	14.8	8.3	3.8
Depreciation charge 15	20.1	18.7	2.2	1.2
Amortisation of intangible assets 14	—	—	—	0.3
Impairment of intangible assets 14	1.6	7.6	—	—
Exceptional items (non-cash) 6	27.0	—	—	—
Profit on disposal of fixed assets	(2.5)	—	—	—
Share-based payment charge	14.7	4.5	14.7	4.5
Net imputed interest expense	(10.0)	(8.7)	—	—
Dividends received from wholly owned subsidiaries	—	—	—	(155.0)
Other non-cash items	(0.5)	(8.9)	0.6	1.3
<b>Cash inflow/(outflow) from operating activities</b>	<b>419.6</b>	<b>360.1</b>	<b>18.8</b>	<b>(2.7)</b>
Movements in working capital:				
Increase in inventories	(200.4)	(235.3)	—	—
Decrease/(increase) in trade and other receivables	12.7	37.5	(16.3)	(26.6)
(Decrease)/increase in trade and other payables	(49.6)	(233.6)	142.4	(227.4)
Decrease in shared equity loan receivables	4.6	5.7	—	—
<b>Cash generated/(absorbed) from operations</b>	<b>186.9</b>	<b>(65.6)</b>	<b>144.9</b>	<b>(256.7)</b>
Interest paid	(9.3)	(4.3)	(7.7)	(1.6)
Interest received	5.1	11.7	2.1	6.9
Dividends received from wholly owned subsidiaries	—	—	—	155.0
Tax (paid)/received	(97.8)	(71.6)	(0.5)	0.6
<b>Net cash inflow/(outflow) from operating activities</b>	<b>84.9</b>	<b>(129.8)</b>	<b>138.8</b>	<b>(95.8)</b>

Note	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
<b>Cash flows from investing activities:</b>				
Investment in an associate	—	(0.7)	—	—
Acquisition of loan notes	(17.5)	(6.8)	—	—
Purchase of property, plant and equipment 15	(32.3)	(36.4)	(4.5)	(4.6)
Proceeds from sale of property, plant and equipment	4.8	1.0	—	—
<b>Net cash outflow from investing activities</b>	<b>(45.0)</b>	<b>(42.9)</b>	<b>(4.5)</b>	<b>(4.6)</b>
<b>Cash flows from financing activities:</b>				
Lease capital payments	(4.0)	(3.0)	(0.5)	(0.4)
Payment of Partnership liability	(4.6)	(4.3)	—	—
Bank fees paid	(0.9)	(4.9)	(0.9)	(4.9)
Own shares purchased	(0.2)	(1.2)	(0.2)	(1.2)
Share options consideration	0.1	—	0.1	—
Dividends paid 12	(191.8)	(255.4)	(191.8)	(255.4)
<b>Net cash outflow from financing activities</b>	<b>(201.4)</b>	<b>(268.8)</b>	<b>(193.3)</b>	<b>(261.9)</b>
<b>Decrease in net cash and cash equivalents</b> 26	<b>(161.5)</b>	<b>(441.5)</b>	<b>(59.0)</b>	<b>(362.3)</b>
Cash and cash equivalents at the beginning of the year	420.1	861.6	241.0	603.3
<b>Cash and cash equivalents at the end of the year</b> 26	<b>258.6</b>	<b>420.1</b>	<b>182.0</b>	<b>241.0</b>



# Notes to the financial statements

For the year ended 31 December 2024

## 1 Adoption of new and revised International Financial Reporting Standards (IFRSs) and Interpretations (IFRICs)

The following relevant UK endorsed new amendments to standards are mandatory for the first time for the financial year beginning 1 January 2024:

- Amendments to IAS 1 Presentation of Financial Statements
- Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements
- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

The effects of the implementation of these amendments have been limited to disclosure amendments where applicable.

The Group has not applied the following new standards, amendments and improvements to standards which are not yet effective:

- IFRS 18 Presentation and Disclosure in Financial Statements
- Amendments to IAS 21 Lack of exchangeability
- Annual improvements to IFRS Accounting Standards - Volume 11

The Group is currently considering the implication of these standards, amendments and improvements with the expected impact upon the Group being limited to disclosures if applicable.

## 2 Accounting policies

### Statement of compliance

The consolidated Group financial statements are prepared in accordance with UK adopted International Accounting Standards ('IAS'). Parent Company financial statements are prepared in accordance with UK adopted IAS in conformity with the requirements of the Companies Act 2006.

### Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

In preparing the Group financial statements management has considered the impact of climate change, taking into account the relevant disclosures in the Strategic Report, including those made in accordance with the recommendations of the Task Force on Climate Related Disclosures. This included an assessment of inventories and goodwill and intangible assets and how they could be impacted by measures taken to address global warming.

Recognising that the environmental impact on the Group's operations is relatively low, no issues were identified that would impact the carrying values of such assets or have any other impact on the financial statements.

### Going concern

The Group operates with a very strong balance sheet position and delivered an improved financial performance, and growth in volume of new homes delivered, as a result of our disciplined and strategic financial investment into the business. Persimmon's long-term strategy, which recognises the risks associated with the housing cycle by maintaining operational flexibility, investing in high quality land, minimising financial risk and deploying capital at the right time in the cycle, has equipped the business with strong liquidity and a robust balance sheet.

The Group completed the sale of 10,664 new homes (2023: 9,922), generating a profit before tax of £359.1m (2023: £351.8m). At 31 December 2024, the Group's strong financial position included £258.6m of cash (2023: £420.1m), high quality land holdings, and land creditors of £423.2m (2023: £372.0m). During the year the Group extended by one year to July 2029 its £700m Revolving Credit Facility. There remains the possibility to extend the facility for a further year. The facility was undrawn at the year end.

The Group's forward order book at 1 January 2025 includes 2,360 new homes sold forward into the private owner occupier market (1 January 2024: 1,877 new homes forward sold) with an average selling price of c.£276,860. In addition, the cumulative average private sales reservation rate for the first nine weeks of 2025 is c.14% stronger than for the same period last year.

The Directors have carried out a robust assessment of the principal risks facing the Group, as described on page 72 of this report. The Group has considered the impact of these risks on the going concern of the business by performing a range of sensitivity analyses to the latest base case forecast, covering the period to 30 June 2026, including severe but plausible scenarios materialising together with the likely effectiveness of mitigating actions that would be executed by the Directors. For further detail regarding the approach and process the Directors follow in assessing the long-term viability of the business, please see the Viability Statement on page 76.

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

The first scenario modelled is a severe but plausible downside scenario that models a fall in housing revenue, when compared to full year 2024, of c.54% for full year 2025 followed by gradual recovery. The housing revenue modelled factors in changes in both volumes and average selling prices. The assumption used in this scenario reflects the experience management gained during the Global Financial Crisis from 2007 to 2010, it being the worst recession seen in the housing market since World War Two.

A second, even more extreme, scenario assumes the same significant downturn in 2025 followed by a period of enduring depression of the UK economy and housing market during 2026, assuming that neither volumes nor revenue recover.

In each of these scenarios, cash flows were assumed to be managed consistently, ensuring all relevant land, work in progress and operational investments were made in the business at the appropriate time to deliver the projected new home legal completions. Each scenario fully reflects the current estimate of cash outflows, value and timing, associated with the legacy buildings provision. In each of these scenarios, the Group is able to operate within its facilities.

The Directors have also considered a 'Reverse Stress Test' to demonstrate the point at which the Group runs out of liquid funds or breaches covenants but note the likelihood of this is less than remote.

In addition, the Group has been increasingly assessing climate-related risks and opportunities that may present to the Group. During the period assessed for going concern no significant risk has been identified that would materially impact the Group's ability to generate sufficient cash and continue as a going concern.



## 2 Accounting policies *continued*

### Going concern *continued*

Having considered the inherent strength of the UK housing market, the resilience of the Group's average selling prices and the Group's scenario analysis as detailed above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries up to 31 December each year. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect the returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

### Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The subsidiary's identifiable assets, liabilities and contingent liabilities are recognised at their fair value at the acquisition date.

### Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity at the date of the acquisition. Goodwill arising on acquisition of subsidiaries and businesses is capitalised as an asset. Goodwill is subsequently measured at cost less any accumulated impairment losses.

### Brand intangibles

Internally generated brands are not held on the balance sheet. The Group carries assets on the balance sheet only for brands that have been acquired. Acquired brand values are calculated based on discounted cash flows. No amortisation is charged on brand intangibles as the Group believes that the value of the brands is maintained indefinitely. The factors that result in the durability of the brands capitalised are that there are no material legal, regulatory, contractual, competitive, economic or other factors that limit the useful life of these intangibles. The acquired brands are tested annually for impairment by performing a value in use calculation, using a discount factor based on the Group's pre-tax weighted average cost of capital, on the branded income stream.

Where a brand's life is not deemed to be indefinite it is written off over its expected useful life on a straight line basis.

### Other Intangible Assets

Other intangible assets include know-how acquired on acquisition of subsidiary companies and computer software developed by the Group. Other intangible assets are reviewed for impairment when there is a triggering event. Cost is determined at the time of acquisition/development as being directly attributable costs. Other intangible assets are amortised on a straight line basis over a period of 5 years from the point where fully operational, or less where appropriate.

### Revenue recognition

Revenue on private new housing is recognised as the consideration received on legal completion of new built private residential property sale.

Revenue on housing sold to housing associations is recognised either on the consideration received on legal completion of a newly built residential property or amounts contractually due under development agreement.

The Group recognises revenue in the income statement over time for contracts where the control of land is irrevocably transferred to the customer before or during construction. Revenue is recognised from the point that control is irrevocably transferred to the customer. Where revenue is recognised over time and the outcome of the contract can be estimated reliably, it is recognised based on the stage of completion of the agreement as verified by surveys performed by the relevant customer. Revenue also includes the fair value of the consideration received or receivable on the sale of part exchange properties. Revenue relating to the provision of internet services is recognised as the service is provided.

Revenue also includes the fair value of the consideration received or receivable on the sale of part exchange properties.

Revenue relating to the provision of internet services is recognised as the service is provided.

### Government grants

Grants are included within work in progress in the balance sheet and are credited to the Consolidated Statement of Comprehensive Income over the life of the developments to which they relate. Grants related to legal completions have been recognised in revenue.

### Other operating income

Other operating income comprises profits from the sale of land holdings, freehold reversions, rent receivable and other incidental sundry income.

### Operating expenses

Operating expenses represent the administration costs of the business, which are written off to the statement of comprehensive income as incurred.

### Borrowing costs

Interest bearing bank loans and partnership liabilities are initially measured at fair value (being proceeds received, net of direct issue costs) and are subsequently measured at amortised cost, using the effective interest rate method. Finance charges, including direct issue costs, are accounted for and taken to the statement of comprehensive income using the effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Where bank agreements include a legal right of offset for in hand and overdraft balances, and the Group intends to settle the net outstanding position, the offset arrangements are applied to record the net position in the balance sheet.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 2 Accounting policies continued

#### Exceptional items

Exceptional items are items of income and expenditure that, in the judgement of management, should be disclosed separately on the basis that they are material, either by their nature or their size, to an understanding of the financial performance and significantly distort the comparability of financial performance between accounting periods. Items of income or expense that are considered by management for designation as exceptional include such items as major restructuring and significant impairment of assets.

During the year, the Group recognised an exceptional charge of £25.0m in relation to its investments and long-term loan notes in TopHat Enterprises Limited which writes down the value of the investment to £nil. The write down being due to a re-assessment of risks within the modular build sector. In addition, there is a charge of £7.4m of professional fees associated with one-off projects.

The Group has recognised a net exceptional charge of £2.0m in relation to the anticipated costs of the Group's commitments to the costs of removal of combustible claddings and other fire related remediation works. Further details on this provision can be found in notes 3 and 22.

In total there was a net exceptional charge of £34.4m (2023: £nil) in the year.

All items have been disclosed as exceptional due to the non-recurring nature and scale of the charge to aid understanding of the financial performance of the Group and to assist in the comparability of financial performance between accounting periods.

#### Share-based payments

Charges for employee services received in exchange for share-based payment have been made for all options/awards in accordance with IFRS 2 Share-based Payment, to spread the fair value of the grant over the anticipated vesting period.

The fair value of such options has been calculated using generally accepted option pricing models, based upon publicly available market data at the point of grant. Share options include both market and non-market conditions. Market conditions are considered in the establishment of the initial valuation of the options. In the event of failure to meet market conditions share-based payment charges are not reversed. In the event of failure to meet non-market conditions share-based payment charges are reversed.

Where options are net settled in respect of withholding tax obligations, these are accounted for as equity settled transactions. Payments to HMRC are accounted for as a deduction from equity for the shares withheld, except to the extent (if any) that the payment exceeds the fair value of shares withheld, in which case the excess will be charged to the statement of comprehensive income.

Share-based payments are charged wholly in the ultimate Parent Company.

#### Retirement benefit costs

The Group operates two defined benefit pension schemes which are now closed to further accrual. It also operates three defined contribution schemes for current employees. The asset/liability in respect of the defined benefit schemes is the present value of the defined benefit obligation at the balance sheet date, less the fair value of the schemes' assets, together with adjustments for remeasurement gains and losses. Where a net asset results it is limited to the present value of economic benefits available in the form of future refunds from the scheme or reductions in future contributions, subject to any minimum funding requirements. Further details of the schemes and the valuation methods applied may be found in note 28.

Interest cost on the scheme liabilities and finance returns on scheme assets are recognised at the applicable discount rate as net finance income/costs in the statement of comprehensive income and remeasurement gains and losses via the statement of other comprehensive income.

Subsidiary entities bear a charge for current employees based upon their current pensionable salaries. Differences between this charge and the current service cost are borne by the Company as the legal sponsor, as are all experience gains and losses. There is no contractual arrangement or stated policy for recharging the other Group entities involved in the schemes.

Payments to the defined contribution schemes are accounted for on an accruals basis. Once the payments have been made, the Group has no further payment obligations.

#### Taxation

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using enacted or substantially enacted tax rates, and adjusted for any tax payable in respect of previous years. The Group assesses its exposure to Pillar Two income taxes based on the most recent information available from tax filings and financial statements, and takes into account known changes in the Group and its operations.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: goodwill, the initial recognition of assets or liabilities that affect neither accounting or taxable profit, and differences relating to investment in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the carrying amount of assets and liabilities, using the tax rates applicable, or expected to be applicable at the date of settlement, based on enacted rates at the balance sheet date. Where the deferred tax asset recognised in respect of share-based payments would give rise to a credit in excess of the related accounting charge at the prevailing tax rate the excess is recognised directly in equity. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each balance sheet date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities when the Group intends to settle its current tax assets and liabilities on a net basis. The Group has applied the mandatory exception from accounting for deferred taxes arising under the Pillar Two Model Rules (Amendments to IAS 12) as issued by the IASB.

The Group accounts for current and deferred tax in accordance with IFRIC 23 – Uncertainty over Income Tax Treatments. Where uncertainty exists, the Group assesses whether it is probable that the tax authority will accept the treatment. If not, the effect of the uncertainty is reflected using the most likely amount or expected value method.



## 2 Accounting policies continued

### Property, plant and equipment

It is the Group's policy to hold property, plant and equipment at cost less accumulated depreciation, subject to the requirement to test assets for impairment.

Depreciation on property, plant and equipment is provided using the straight line method to write off the cost less any estimated residual value, over the estimated useful lives on the following bases:

Plant and equipment – 3 to 5 years.

Fixtures and fittings – 3 to 5 years.

Owned utility infrastructure – 15 to 40 years.

Freehold buildings – 50 years.

No depreciation is provided on freehold land.

The assets' useful economic lives and residual values are reviewed and adjusted, if appropriate, at each financial year end. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

### Investments

Interests in subsidiary undertakings are valued at cost less impairment. Other investments are stated at fair value.

### Joint ventures and associates

A joint venture is an entity in which the Group holds an interest with one or more other parties where a contractual arrangement has established joint control over the entity, and where the arrangements entitle the Group to a share of the net assets of the entity.

An associate is an entity in which the Group holds an interest with one or more other parties where it exerts significant influence, but not overall control, over the entity.

Investments in joint ventures and associates are accounted for under the equity method of accounting.

### Joint operations

A joint operation is an arrangement or entity in which the Group holds an interest with one or more other parties where a contractual arrangement has established joint control over the operation and where the arrangements entitle the Group to rights over specific assets or obligations of the operation. The Group recognises its share of revenue, costs, assets and liabilities for its joint operations.

### Shared equity loan receivables

Receivables on extended terms granted as part of a sales transaction are secured by way of a second legal charge on the respective property. The loans are classified as financial assets held at fair value through profit or loss and are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of comprehensive income as described in note 17.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Land with planning includes undeveloped land and land under development and is initially recorded at discounted cost. Where, through deferred purchase credit terms, the carrying value differs from the amount that will ultimately be paid in settling the liability, this difference is charged as a finance cost in the statement of comprehensive income over the period of settlement. Work in progress comprises direct materials, labour costs, site overheads, associated professional charges and other attributable overheads. Net realisable value represents the estimated selling prices less all estimated costs of completion and overheads.

Investments in land without the benefit of a planning consent are initially included at cost. Regular reviews are carried out to identify any impairment in the value of the land considering the existing use value of the land and the likelihood of achieving a planning consent and the value thereof. Provision is made to reflect any irrecoverable amounts.

Expenditure relating to forward land, including options and fees, is held at cost. If the option expires or the Directors no longer consider it likely that the option will be exercised prior to the securing of planning permission, the amount is subject to an annual impairment review.

### Impairment of financial assets

The Group recognises an allowance for expected credit losses for all debt instruments not held at fair value through profit and loss. Expected credit losses are based on the difference between the contracted cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and, in the Parent Company, intercompany receivables, the Group applies a simplified approach in calculating expected credit losses. The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each balance sheet date.

### Inter-Group guarantees

The Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group. These have been of insignificant value in the year.

### Trade and other payables

Trade payables on normal terms are not interest bearing and are stated at amortised cost. Trade payables on extended terms, particularly in respect of land purchases, are initially recorded at their fair value and subsequently measured at amortised cost using the effective interest method.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 2 Accounting policies continued

#### Provisions

Provisions are recognised when the Group has a present commitment as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle that commitment. Provisions are measured at the Directors' best estimate of the expenditure required to settle the commitment at the balance sheet date and are discounted to present value where the effect is material.

#### Deposits

New property deposits and on account contract receipts are held within current trade and other payables until the legal completion of the related property or cancellation of the sale.

#### Cash and cash equivalents

Cash and cash equivalents include cash and balances in the bank accounts with no notice or less than three months' notice from inception, and are subject to insignificant risk of changes in value.

#### Interest bearing borrowings

Interest bearing borrowings and partnership liabilities are carried at amortised cost.

#### Dividends

Dividends receivable by the Parent Company from subsidiaries are accounted for on a cash basis, or once formally approved by the shareholders of the subsidiary companies. These cash flows are treated as operating cash flows on the basis that the Parent Company's underlying activities includes receiving dividends from its subsidiaries.

Dividends payable are recorded in the period in which they are approved or paid, whichever is earliest.

#### Own shares held

The Group may acquire holdings in its own shares either directly or via employee benefit trusts. The acquisition cost of such shares (including associated purchase costs) is treated as a deduction from retained earnings. Such shares may be used in satisfaction of employee options or rights, in which case the cost of such shares is reversed from the retained earnings on a 'first in first out' basis.

Transactions of the Company sponsored EBT are treated as being those of the Company and are therefore reflected in the Company financial statements. In particular, the trust's purchases and sales of shares in the Company are debited and credited directly to equity.

### 3 Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies which are described in note 2, the Directors have made no individual judgements that have a significant impact upon the financial statements, excepting those involving estimation which are dealt with below. The key sources of estimation uncertainty at the balance sheet date are:

#### Pensions

The Directors have employed the services of a qualified, independent actuary in assessing pension assets/liabilities. However, they recognise that final liabilities and asset returns may differ from actuarial estimates and therefore the ultimate pension asset/liability may differ from that included in the financial statements. For further information on the estimates used, please refer to note 28.

#### Provisions

The Group holds a provision of £235.3m (2023: £283.2m) based on management's best estimates of the costs of completing works to ensure fire safety on affected buildings under direct ownership, and to work with and support owners and other relevant stakeholders on buildings it has developed. The prior year provision represented management's best estimate of the liability based on the information available at that point. During 2022 we signed the Building Safety Pledge (England) and worked constructively with the Government to agree the 'Long-Form Contract' that turned the pledge into a legal agreement. The Self Remediation Contract was signed on 13 March 2023. As we have worked through this process we have identified further eligible multi-storey developments requiring remediation for which we will be liable, and developed a more detailed understanding of remediation costs.

The number of developments we are responsible for has increased and now stands at 83 (2023: 82) (of which 40 have now either secured EWS1 certificates or concluded any necessary works).

These estimates may change over time as further information is assessed, remedial works progress, the interpretation of fire safety regulations further evolves and further developments requiring remediation works are potentially identified. The assessment of the provision remains a highly complex area with judgements and estimates in respect of the costs of remedial works to be incurred. Whilst we have exercised our best judgement in these matters, there remains the potential for variations to this estimate from multiple factors such as material, energy and labour cost inflation, limited qualified contractor availability and abnormal works identified on intrusive surveys. Should a 20% variation in the costs of untendered projects occur then the overall provision would vary by +/- £9.6m.

The following areas of estimation uncertainty are not presented to comply with the requirements of paragraph 125 of IAS 1, Presentation of Financial Statements as it is not expected there is a significant risk of a material adjustment to the carrying amount of assets within the next financial year. They are presented as an additional disclosure of estimate used in these accounts.

#### Land and work in progress

Given the high quality of the Group's inventory asset base, the sensitivity of the assumptions used in assessing the net realisable value ('NRV') of the Group's inventories is relatively low. As such no reasonably possible change in assumptions is likely to result in a material impact to the carrying value of the Group's land and work in progress balance within the next 12 months. The disclosure below provides additional insight into the carrying value of the Group's land and work in progress.

Valuations of the Group's developments, which include an estimation of costs to complete and anticipated revenues, are carried out at regular intervals throughout the year. The valuations allocate total expected site development costs between units built in the current year and those to be built in future years. These valuations therefore include a degree of uncertainty when estimating the profitability of a site and in assessing any impairment provision which may be required.

During the year ended 31 December 2024, the Group conducted reviews of the NRV of its development land and work in progress carrying values. The reviews were conducted on a site-by-site basis, using assumptions surrounding anticipated selling prices and the level of future development costs, based on local management and the Board's assessment of market conditions existing at the balance sheet date.





### 3 Critical accounting judgements and key sources of estimation uncertainty *continued*

#### Land and work in progress *continued*

As noted above, the sensitivity of these assumptions to inventory carrying value is relatively low. However, the most sensitive assumption relates to the consideration of the Group's average selling price prognosis – for example, the Directors have modelled a scenario involving an immediate and enduring reduction in Group average selling price of 10% across each plot in the Group's owned land holdings (it is important to note that the enduring nature of this assumption would present unusually unique circumstances when considered in the context of the UK housing market). Such a scenario would not result in a material adjustment to the carrying value of the Group's inventory. Given these factors, the Board does not believe that a reasonably possible change in the assumptions could result in a material impairment of land and work in progress carrying values in the next 12 months. Cost of materials and labour have been included in the assessment of sensitivity and are considered to be immaterial in the valuation of the Group's inventory.

If there are significant movements in UK house prices or development costs, beyond management's reasonably possible expectations, then further impairments of land and work in progress may be necessary.

#### Shared equity loan receivables

Shared equity loan receivables comprise loans granted as part of sales transactions that are secured by way of a second legal charge on the respective property. The fair value of these receivables is determined by taking into account factors such as the length of time that the loan has been outstanding, market conditions, including those in respect of house price inflation, forced sale discount and probability of borrower default. The variables used are kept under regular review to ensure that as far as possible they reflect current economic circumstances; however, changes in house prices, redemption dates, interest rates, unemployment levels and bankruptcy trends in the UK could result in actual returns differing from reported valuations. At 31 December 2024 the loan recognised on the balance sheet was £29.0m (2023: £32.1m).

### 4 Principal activities

The Group has only one reportable operating segment, being housebuilding within the UK, under the control of the Executive Board. The Executive Board has been identified as the Chief Operating Decision Maker as defined under IFRS 8 Operating Segments.

### 5 Revenue

An analysis of the Group's revenue is as follows:

	2024 £m	2023 £m
Revenue from the sale of new housing - private	2,606.0	2,195.1
Revenue from the sale of new housing - housing association	257.3	342.5
Revenue from the sale of new housing - total	2,863.3	2,537.6
Revenue from the sale of part exchange properties	322.6	223.7
Revenue from the provision of internet services	14.8	11.9
Revenue from the sale of goods and services as reported in the statement of comprehensive income	3,200.7	2,773.2
Other operating income	9.8	8.6
Finance income	11.1	19.7
	3,221.6	2,801.5

Revenue from the sale of new housing includes £361.5m (2023: £282.5m) in respect of the value of properties accepted in part exchange by the Group. Of this £154.4m (2023: £114.6m) is reported within inventories at 31 December.

### 6 Exceptional items

During the year, the Group recognised an exceptional charge of £25.0m in relation to its investment and long-term loan notes in TopHat Enterprises Limited which writes down the value of the investment and long-term loan notes to £nil. The write down being due to a re-assessment of risks within the modular build sector. In addition, there is a charge of £7.4m that relates to costs incurred on professional fees for one-off projects, including for prospective M&A opportunities and the ongoing CMA investigation (disclosed in note 27), which have been classified as exceptional given they are non-recurring in nature.

The Group has also recognised a net exceptional charge of £2.0m in relation to the anticipated costs of the Group's commitments to the costs of removal of combustible claddings and other fire related remediation works. Further details on this provision can be found in notes 3 and 22.

In total there was a net exceptional charge of £34.4m (2023: £nil) in the year, of which £27.0m is non-cash related.

All items have been disclosed as exceptional due to the non-recurring nature and scale of the charge to aid understanding of the financial performance of the Group and to assist in the comparability of financial performance between accounting periods.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 7 Key management remuneration

Key management personnel, as disclosed under IAS 24 Related Party Disclosures, have been identified as the Board of Directors. Detailed disclosures of individual remuneration, including the highest paid director for both years, pension entitlements and share options for those Directors who served during the year, are given in the Annual Report on Remuneration on pages 118 to 142. The aggregate key management remuneration is as follows:

	2024 £m	2023 £m
Short-term benefits	3.0	2.8
Termination benefits	—	—
Share-based payments	2.3	0.8
	5.3	3.6

Total gains on exercise of options by key management in the year amount to £0.2m (2023: £0.2m).

### 8 Employees Group

The average monthly number of persons (including Executive Directors) employed by the Group during the year was 4,537 (2023: 5,186).

	2024 £m	2023 £m
Staff costs (for the above persons):		
Wages and salaries	246.3	265.5
Social security costs	29.9	29.1
Pensions charge	11.4	6.8
Share-based payments	7.1	1.2
	294.7	302.6

The Group also uses the services of a substantial number of self-employed labour-only site operatives.

### Company

The average monthly number of persons (including Executive Directors) employed by the Company during the year was 525 (2023: 545).

	2024 £m	2023 £m
Staff costs (for the above persons):		
Wages and salaries	50.2	47.5
Social security costs	6.6	5.9
Pensions charge	4.0	1.4
Share-based payments	3.6	0.5
	64.4	55.3

### 9 Net finance income

	2024 £m	2023 £m
<b>Recognised in profit after tax</b>		
Interest receivable on bank deposits	2.6	9.1
Gains on shared equity loan receivables	1.5	1.6
Net interest on pension asset	5.7	7.4
Other interest receivable	1.3	1.6
<b>Finance income</b>	11.1	19.7
Interest expense on bank overdrafts and loans	8.2	2.5
Imputed interest on deferred land payables	3.8	6.0
Imputed interest on legacy building provision	7.4	4.3
Interest on partnership liability	0.9	1.1
Other interest payable	0.9	0.9
<b>Finance costs</b>	21.2	14.8
<b>Net finance (expense)/income</b>	(10.1)	4.9



## 10 Profit from operations

	2024 £m	2023 £m
Profit from operations is stated after charging/(crediting):		
Staff costs (note 8)	294.7	302.6
Profit on sale of land holdings	(5.7)	(4.2)
Government grants	(2.4)	(0.6)
Rent receivable	(3.2)	(3.4)
Profit on sale of property, plant and equipment	(2.5)	(0.9)
Depreciation of owned assets	20.1	18.7
Impairment of intangible assets	1.6	7.6

The Group received Government grants totalling £1.8m (2023: £nil) in the year.

Amounts payable to the auditor, Ernst & Young LLP, and their associates in respect of:

	2024 £000	2023 £000
<b>Audit fees</b>		
Audit of the Parent Company and consolidated financial statements	802	787
Audit of the Company's subsidiaries pursuant to legislation	35	30
Total fees for the audit of the Company and its subsidiaries	837	817
<b>Non-audit fees</b>		
Audit related assurance services	96	75
Non-audit related fees	78	77
Total non-audit fees	174	152
	1,011	969

The extent of non-audit fees and non-audit related service fees payable to Ernst & Young LLP and its affiliated entities is reviewed by the Audit & Risk Committee in the context of fees paid by the Group to its other advisors during the year. The Committee also reviews the nature and extent of non-audit services to ensure that independence is maintained.

Fees to major firms of accountants other than Ernst & Young LLP and its affiliated entities for non-audit services amounted to £911,764 (2023: £1,063,154).

## 11 Tax

### 11.1 Analysis of tax charge for the year

	2024 £m	2023 £m
Tax charge comprises:		
UK corporation tax in respect of the current year	78.8	81.2
Residential Property Developer Tax ('RPDT') in respect of the current year	12.3	13.0
Adjustments in respect of prior years	(9.1)	(0.2)
	82.0	94.0
Deferred tax relating to origination and reversal of temporary differences	13.7	2.8
Adjustments recognised in the current year in respect of prior year's deferred tax	(3.7)	(0.4)
	10.0	2.4
Tax charge for the year recognised in statement of comprehensive income	92.0	96.4

The tax charge for the of £92.0m includes a tax charge of £10.0m relating to the exceptional items detailed in note 6.

The tax charge for the year can be reconciled to the accounting profit as follows:

	2024 £m	2023 £m
Profit from continuing operations	359.1	351.8
Tax calculated at UK standard corporation tax rate of 29.0% (inclusive of RPDT) (2023: 27.5%)	104.1	96.7
Goodwill impairment losses that are not deductible	0.5	1.8
Expenditure not allowable for tax purposes	2.1	0.9
Items not deductible for RPDT	(0.3)	(0.6)
Enhanced tax reliefs	(1.6)	(1.8)
Adjustments in respect of prior years	(12.8)	(0.6)
Tax charge for the year recognised in statement of comprehensive income	92.0	96.4

The tax charge for the year includes both current and deferred tax. The tax charge is based upon the expected tax rate for the full year, which is applied to taxable profits for the year, together with any charge or credit in respect of prior years and the tax impact of one-off/non-recurring items arising in the same year. Current tax includes both UK corporation tax and the Residential Property Developer Tax (RPDT).

Deferred Tax is calculated as the tax payable or recoverable in future accounting periods in respect of temporary differences which may be taxable or allowed as deductible. Temporary differences represent the difference between the carrying amount of an asset or liability in the financial statements and the relevant tax base.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 11 Tax continued

#### 11.1 Analysis of tax charge for the year continued

The effective rate of tax for the period was 25.6% which was lower than in the prior year (2023: 27.4%) as a result of deductions arising from the finalisation of prior year tax returns, including one-off items in respect to the treatment of building safety remediation provisions.

#### 11.2 Deferred tax recognised in other comprehensive income (note 24)

	2024 £m	2023 £m
Recognised on remeasurement loss on pension schemes	0.4	9.8

#### 11.3 Tax recognised directly in equity

	2024 £m	2023 £m
<b>Arising on transactions with equity participants</b>		
Current tax related to equity settled transactions	(0.1)	(0.6)
Deferred tax related to equity settled transactions (note 24)	0.9	(0.7)
	0.8	(1.3)

UK adoption of OECD Pillar 2: There is no impact from the implementation of the UK's domestic top-up tax, as the Group does not have any profits arising in any entities which are located in a non-UK jurisdiction, and which are taxed below the minimum rate of tax of 15%.

### 12 Dividends/return of capital

	2024 £m	2023 £m
Amounts recognised as distributions to capital holders in the period:		
2022 final dividend to all shareholders of 60p per share paid 2023	—	191.5
2023 interim dividend to all shareholders of 20p per share paid 2023	—	63.9
2023 final dividend to all shareholders of 40p per share paid 2024	127.9	—
2024 interim dividend to all shareholders of 20p per share paid 2024	63.9	—
Total capital return	191.8	255.4

The Directors propose a 40p final dividend in respect of the financial year 31 December 2024 to shareholders for each ordinary share held on the register on 20 June 2025 with payment made on 11 July 2025. The total anticipated distributions to shareholders is 60p per share (2023: 60p per share) in respect of the financial year ended 31 December 2024.

The Parent Company received £nil dividends from wholly owned subsidiary undertakings during 2024 (2023: £155.0m).

### 13 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year, excluding those held in the employee benefit trusts (see note 25) and any treasury shares, all of which are treated as cancelled, which were 319.6m (2023: 319.2m).

Diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares in issue adjusted to assume conversion of all potentially dilutive ordinary shares from the start of the year, giving a figure of 323.1m (2023: 321.0m).

Underlying earnings per share excludes the net exceptional charge and goodwill impairment. The earnings per share from continuing operations were as follows:

	2024	2023
Basic earnings per share	83.6p	80.0p
Underlying basic earnings per share	92.1p	82.4p
Diluted earnings per share	82.7p	79.5p
Underlying diluted earnings per share	91.1p	81.9p

The calculation of the basic and diluted earnings per share is based upon the following data:

	2024 £m	2023 £m
Underlying earnings attributable to shareholders	294.2	263.0
Net exceptional charge (net of tax)	(25.5)	—
Goodwill impairment	(1.6)	(7.6)
Earnings attributable to shareholders	267.1	255.4



## 14 Intangible assets

Group	Goodwill £m	Brand £m	Software £m	Other £m	Total £m
<b>Cost</b>					
At 1 January 2023 and 1 January 2024	412.8	60.0	—	1.9	474.7
Additions in the year	—	—	0.8	—	0.8
<b>At 31 December 2024</b>	<b>412.8</b>	<b>60.0</b>	<b>0.8</b>	<b>1.9</b>	<b>475.5</b>
<b>Accumulated impairment losses/amortisation</b>					
At 1 January 2023	299.8	—	—	1.9	301.7
Impairment losses for the year - Horsebridge acquisition	4.0	—	—	—	4.0
Impairment losses for the year – utilisation of strategic land holdings	3.6	—	—	—	3.6
At 1 January 2024	307.4	—	—	1.9	309.3
Impairment losses for the year – utilisation of strategic land holdings	1.6	—	—	—	1.6
<b>At 31 December 2024</b>	<b>309.0</b>	<b>—</b>	<b>—</b>	<b>1.9</b>	<b>310.9</b>
<b>Carrying amount</b>					
<b>At 31 December 2024</b>	<b>103.8</b>	<b>60.0</b>	<b>0.8</b>	<b>—</b>	<b>164.6</b>
At 31 December 2023	105.4	60.0	—	—	165.4

Goodwill brought forward at the start of the year of £105.4m includes £87.0m (2023: £90.2m) which arose on acquisitions before the date of transition to IFRSs and is retained at the previous UK GAAP amounts, subject to being tested for impairment. £37.0m (2023: £37.0m) of this amount represented the brand value of Charles Church, acquired with Beazer Group Plc in 2001.

Acquired brand values, including the brand value of Charles Church which is classified as goodwill as this was acquired before the date of transition to IFRSs, are calculated based on discounted cash flows and are tested annually for impairment. The remainder of goodwill is allocated to acquired strategic land holdings and is tested annually for impairment.

The recoverable amounts of the intangibles are determined from value in use calculations. Goodwill is allocated for impairment testing purposes down to a lower level than the Group's single operating segment, being to Charles Church and to the portfolios of strategic land holdings throughout the UK acquired with Beazer and Westbury. The key assumptions for value in use calculations are those regarding discount and growth rates. Growth rates incorporate volume, selling price and direct cost changes.

The Group prepares cash flow forecasts derived from the most recent financial forecasts approved by management to form the basis of the Group's five-year business plan.

When performing the impairment review of the brands, the relevant retraction/growth rates included therein vary between 3% and 10% (2023: 5% and 9%), reflecting the economic uncertainties associated with the ongoing war in Ukraine and the cost of living crisis which is affecting the UK economy and the UK housing industry.

The retraction/growth rates in relation to the impairment review of goodwill allocated to strategic land holdings vary between -2% and 6% (2023: -5% and 2%).

After this period the growth rates applied to calculate the cash flow forecasts is 1% (2023: between 1% and 2%) reflecting management's estimate of the forecast recovery in the UK housing market, which do not exceed the long-term average growth rates for the industry.

Management used pre-tax discount factors between 5% and 10% (2023: 6% and 10%) over the forecast periods.

The goodwill allocated to acquired strategic land holdings is further tested by reference to the proportion of legally completed plots in the period compared to the total plots which are expected to receive satisfactory planning permission in the remaining strategic land holdings, taking account of historical experience and market conditions. This review resulted in an underlying impairment of £1.6m (2023: £3.6m). This charge reflects ongoing consumption of the acquired strategic land holdings. The effect of testing goodwill for impairment in the manner set out is that the goodwill will be completely impaired once the final plot for which management expects to receive a satisfactory planning permission is sold. The timescale for full impairment to occur is difficult to calculate; however, based on current estimates, it is believed this will take over 20 years.

On concluding the annual impairment testing, there remains £48.7m (2023: £50.0m) and £18.1m (2023: £18.4m) of Beazer and Westbury goodwill allocated to strategic land holdings and £37.0m (2023: £37.0m) allocated to the Charles Church brand. In addition, there is £60.0m (2023: £60.0m) of carrying value in relation to the Westbury brand.

No reasonable possible change in any of the assumptions noted above would lead to an impairment charge being required. However, in the event of deterioration in the UK housing market conditions, operating margins reducing, or appropriate discount rates increasing, the possibility of impairment losses in the future remains.

Software has been developed for the purpose of site productivity improvement by the Group during the year.

Other intangible assets include know-how and acquired on acquisition of subsidiary companies, and computer software developed by the Group.

Other intangible assets and software are recorded at directly attributable costs determined at the time of acquisition/development. Other intangible assets and software are amortised on a straight line basis over a period of 5 years from the point where fully operational. Other intangible assets and software are reviewed for impairment when there is a triggering event.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 14 Intangible assets continued

Company	Trademark £m	Software £m	Total £m
<b>Cost</b>			
At 1 January 2023 and 1 January 2024	5.0	—	5.0
Additions in the year	—	0.7	0.7
<b>At 31 December 2024</b>	<b>5.0</b>	<b>0.7</b>	<b>5.7</b>
<b>Amortisation</b>			
At 1 January 2023	4.7	—	4.7
Charge for the year	0.3	—	0.3
At 1 January 2024	5.0	—	5.0
Charge for the year	—	—	—
<b>At 31 December 2024</b>	<b>5.0</b>	<b>—</b>	<b>5.0</b>
Carrying amount			
<b>At 31 December 2024</b>	<b>—</b>	<b>0.7</b>	<b>0.7</b>
At 31 December 2023	—	—	—

### 15 Property, plant and equipment

Group	Land and buildings £m	Plant £m	Fixtures and fittings £m	Total £m
<b>Cost</b>				
At 1 January 2023	54.6	148.6	31.9	235.1
Additions	5.6	17.5	17.6	40.7
Disposals	—	(9.3)	(1.8)	(11.1)
At 1 January 2024	60.2	156.8	47.7	264.7
Additions	4.2	15.9	16.5	36.6
Disposals	(5.4)	(17.0)	(1.1)	(23.5)
<b>At 31 December 2024</b>	<b>59.0</b>	<b>155.7</b>	<b>63.1</b>	<b>277.8</b>
<b>Accumulated depreciation</b>				
At 1 January 2023	10.8	86.1	19.6	116.5
Charge for the year	2.4	11.6	4.7	18.7
Disposals	—	(9.2)	(1.8)	(11.0)
At 1 January 2024	13.2	88.5	22.5	124.2
Charge for the year	2.4	12.3	5.4	20.1
Disposals	(3.2)	(16.8)	(1.1)	(21.1)
<b>At 31 December 2024</b>	<b>12.4</b>	<b>84.0</b>	<b>26.8</b>	<b>123.2</b>
<b>Carrying amount</b>				
<b>At 31 December 2024</b>	<b>46.6</b>	<b>71.7</b>	<b>36.3</b>	<b>154.6</b>
At 31 December 2023	47.0	68.3	25.2	140.5

At 31 December 2024, the Group had £1.8m of contractual commitments for the acquisition of property, plant and equipment (2023: £13.9m).

Within additions for the year are £5.1m of right-of-use assets (2023: £4.5m). At 31 December 2024 a right-of-use asset of £13.5m is reported within property, plant and equipment (2023: £12.3m).





## 15 Property, plant and equipment continued

Company	Land and buildings £m	Plant £m	Fixtures and fittings £m	Total £m
<b>Cost</b>				
At 1 January 2023	2.8	1.5	7.1	11.4
Additions	—	0.6	4.6	5.2
Disposals	—	(0.1)	(0.8)	(0.9)
At 1 January 2024	2.8	2.0	10.9	15.7
Additions	—	0.7	3.8	4.5
Disposals	—	(0.1)	(0.1)	(0.2)
<b>At 31 December 2024</b>	<b>2.8</b>	<b>2.6</b>	<b>14.6</b>	<b>20.0</b>
<b>Accumulated depreciation</b>				
At 1 January 2023	0.8	1.0	5.3	7.1
Charge for the year	0.1	0.4	0.7	1.2
Disposals	—	(0.1)	(0.8)	(0.9)
At 1 January 2024	0.9	1.3	5.2	7.4
Charge for the year	0.2	0.4	1.6	2.2
Disposals	—	—	(0.1)	(0.1)
<b>At 31 December 2024</b>	<b>1.1</b>	<b>1.7</b>	<b>6.7</b>	<b>9.5</b>
<b>Carrying amount</b>				
<b>At 31 December 2024</b>	<b>1.7</b>	<b>0.9</b>	<b>7.9</b>	<b>10.5</b>
At 31 December 2023	1.9	0.7	5.7	8.3

## 16 Investments

### 16.1 Investments accounted for using the equity method

	Investments in associates £m	Investments in joint ventures £m
<b>Cost</b>		
At 1 January 2023	—	0.3
New investments in the year	0.7	—
At 1 January 2024	0.7	0.3
Written off in the year	(0.7)	—
<b>At 31 December 2024</b>	<b>—</b>	<b>0.3</b>

Investments in associates and joint ventures are accounted for under the equity method of accounting. All principal joint ventures have a single external partner holding a 50% interest giving an equal interest in the trade and net assets of the joint ventures. There are no significant restrictions on these entities.

During 2024, a charge of £0.7m writing down of the value of the investment in TopHat Enterprises Limited to £nil was recognised as an exceptional item - impairment of a financial asset in the Consolidated Statement of Comprehensive Income. The write down being due a re-assessment of risks within the modular build sector.

The Group's share of assets and liabilities of joint ventures is shown below:

	2024 £m	2023 £m
Non-current assets	0.1	0.8
Current assets	0.2	0.2
<b>Net assets of joint ventures</b>	<b>0.3</b>	<b>1.0</b>

### 16.2 Investments in subsidiaries

	2024 £m	2023 £m
<b>Cost</b>		
At 1 January 2023, 31 December 2023 and 31 December 2024	3,540.7	3,540.7
<b>Impairment</b>		
At 1 January 2023, 31 December 2023 and 31 December 2024	335.0	335.0
<b>Net book value</b>		
At 1 January 2023, 31 December 2023 and 31 December 2024	3,205.7	3,205.7



## Notes to the financial statements continued

For the year ended 31 December 2024

### 16 Investments continued

#### 16.2 Investments in subsidiaries continued

The annual review of the carrying value of the investment in subsidiaries saw the Group undertake an impairment review to ensure the carrying value of the investment was supportable. This resulted in £nil impairment issues (2023: £nil impairment). Details of Group undertakings are set out in notes 32 and 33.

### 17 Shared equity loan receivables

Group	2024 £m	2023 £m
At 1 January	32.1	36.0
Settlements	(4.6)	(5.7)
Gains	1.5	1.8
At 31 December	29.0	32.1

All gains/losses have been recognised in the Consolidated Statement of Comprehensive Income. Of the gains recognised in finance income for the period £nil (2023: £0.2m) was unrealised.

Shared equity loan receivables comprise loans, largely with a ten-year term and variable repayment amounts, provided as part of sales transactions that are secured by way of a second legal charge on the related property. Loans are repayable at the borrower's option, on sale or transfer of the related property or other redemption of the first legal charge or at the end of the fixed term. The loans are recorded at fair value, being the estimated future amount receivable by the Group, discounted to present day values.

The fair value of future anticipated cash receipts takes into account the Directors' view of future house price movements, the expected timing of receipts and the likelihood that a purchaser defaults on a repayment.

The Directors revisit the future anticipated cash receipts from the loans at the end of each financial reporting period. The difference between the anticipated future receipt and the initial fair value is credited over the estimated deferred term to finance income, with the loan increasing to its full expected cash settlement value on the anticipated receipt date. Credit risk, which the Directors currently consider to be largely mitigated through holding a second legal charge over the assets, is accounted for in determining fair values and appropriate discount factors are applied. The Directors expect an average maturity profile of between five and ten years from the balance sheet date.

Further disclosures relating to loans are set out in note 23.

### 18 Inventories

Group	2024 £m	2023 £m
Land	2,265.6	2,103.5
Work in progress	1,426.3	1,431.3
Part exchange properties	154.4	114.6
Showhouses	56.5	51.8
	3,902.8	3,701.2

The Directors consider all inventories to be essentially current in nature although the Group's operational cycle is such that a proportion of inventories will not be realised within 12 months. It is not possible to determine with accuracy when specific inventory will be realised as this is subject to a number of issues, including consumer demand and planning permission delays.

The Group conducted a further review of the net realisable value of its land and work in progress portfolio at 31 December 2024. Our approach to this review has been consistent with that conducted at 31 December 2023. This review gave rise to a reversal of £nil (2023: £nil) of provision on inventories that were written down in a previous accounting period and an impairment of land and work in progress of £nil (2023: £13.7m). Net realisable provisions held against inventories at 31 December 2024 were £16.8m (2023: £18.9m).

The key judgements in estimating the future net realisable value of a site were the estimation of likely sales prices, house types and costs to complete the developments. Sales prices and costs to complete were estimated on a site-by-site basis based upon existing market conditions. If the UK housing market were to improve or deteriorate in the future then further adjustments to the carrying value of land and work in progress may be required. Following the 2024 review, £26.4m (2023: £27.4m) of inventories are valued at net realisable value rather than at historical cost. No reasonable change in assumptions would lead to further impairment at the balance sheet date.

Land with a carrying value of £1,043.2m (2023: £796.4m) was used as security for land payables (note 21).

The value of inventories expensed in 2024 and included in cost of sales was £2,442.6m (2023: £1,845.8m).

### 19 Trade and other receivables

	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
<b>Non-current assets</b>				
Other receivables	—	6.9	—	—
Amounts owed by Group undertakings	—	—	2,045.6	2,040.4
	—	6.9	2,045.6	2,040.4

	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
<b>Current assets</b>				
Trade receivables	116.5	143.2	0.4	0.5
Other receivables	15.2	10.9	18.8	10.0
Prepayments and accrued income	36.1	27.9	9.4	6.8
	167.8	182.0	28.6	17.3

Trade and other receivables are non-interest bearing, and the Group applies a simplified approach in calculating expected credit losses. The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Directors consider that the carrying value of trade receivables approximates to their fair value.



## 19 Trade and other receivables *continued*

No allowance for expected credit losses is deemed necessary in respect of amounts owed by Group undertakings.

	2024 £m	2023 £m
<b>Ageing of overdue but not impaired receivables</b>		
Less than 3 months	13.4	16.9
Over 3 months	4.3	7.5
	17.7	24.4

The carrying value of trade and other receivables is stated after the following allowance for expected credit losses:

	2024 £m	2023 £m
<b>Group</b>		
At 1 January	2.2	2.0
Allowance for expected credit losses charged	0.4	0.4
Amounts written off during the year as uncollectable	(0.3)	(0.2)
At 31 December	2.3	2.2

## 20 Borrowings

Detailed disclosure of the Group's usage of financial instruments is included in note 23. There are £nil borrowings at 31 December 2024 (2023: £nil).

The contractual repayment terms of facilities are as noted below:

	Currency	Nominal interest rate	Year of maturity	2024 £m	2023 £m
Revolving Credit Facility	GBP	SONIA +1.25%–2.30%	2029	700.0	700.0
Total Available facilities				751.0	731.0

The interest rate applicable to the syndicated loan may increase dependent upon the Group's gearing level.  
The discount rate applies to current and forecast gearing levels.

## 21 Trade and other payables

	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
<b>Non-current liabilities</b>				
Land payables	183.3	167.7	—	—
Other payables	12.9	11.0	2.3	1.3
	196.2	178.7	2.3	1.3

	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
<b>Current liabilities</b>				
Trade payables	277.7	312.8	4.1	5.6
Land payables	239.9	204.3	—	—
Other payables	65.9	66.5	21.2	17.6
Accrued expenses	222.8	238.1	10.5	8.8
Amounts owed to Group undertakings	—	—	3,760.9	3,623.1
	806.3	821.7	3,796.7	3,655.1

Trade payables subject to payment terms were 27 days (2023: 35 days), based on the ratio of year end trade payables (excluding retentions and unagreed claims) to amounts invoiced during the year by trade creditors. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed terms. The Directors consider that the carrying amount of trade payables approximates to their fair value.

Land payables are reduced for imputed interest, which is charged to the statement of comprehensive income over the credit period of the purchase contract.

Included in other payables are £14.5m (2023: £12.9m) associated with right to use assets.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 22 Legacy buildings provision

	Group 2024 £m	Group 2023 £m
At 1 January	283.2	333.3
Additions to provision in the year	25.0	—
Imputed interest on provision in the year	7.4	4.3
Provision released in the year	(23.0)	(6.6)
Provision utilised in the year	(57.3)	(47.8)
At 31 December	235.3	283.2

In 2020 the Group made an initial commitment that no leaseholder living in a building we had developed should have to cover the cost of removal of combustible cladding. During 2022 we signed the Building Safety Pledge (England) and worked constructively with the Government to agree the 'Long-Form Contract' that turned the pledge into a legal agreement. The Self Remediation Contract was signed on 13 March 2023.

In the year we have been informed by a management company of a potential liability for fire remediation costs, and we have added one development to the total number of developments. The number of developments we are now responsible for stands at 83, of which 40 have now either secured EWS1 certificates or concluded any necessary works. It is assumed the majority of the work will be completed over the next two years and the amount provided for has been discounted accordingly.

During the year £57.3m of the provision has been utilised for works undertaken whilst £7.4m of imputed interest has been charged to the statement of comprehensive income through finance costs. During the year £23.0m of the provision has been released and £25.0m has been charged, following a review of the projected costs to complete rectification work. This includes the recoverability of VAT applicable to such costs resulting in the £23.0m release, offset by complications and additional rectification works identified once site works commenced and facades were stripped, being the basis for the £25.0m charge. Due to the non-recurring nature of these charges they have been disclosed as exceptional items to support the understanding of the financial performance and improve the comparability between reporting periods.

Based on current cashflow forecasts management forecast that £111.4m of the provision will be utilised within the next 12 months and as a result has been reported as a current liability in the 31 December 2024 balance sheet.

The assessment of the provision remains a highly complex area with judgements and estimates in respect of the cost of the remedial works, with investigative surveys ongoing to determine the full extent of those required works. Where remediation works have not yet been fully tendered we have estimated the likely scope and costs of such works based on experience of other similar sites. Whilst we have exercised our best judgement of these matters, there remains the potential for variations to this estimate from multiple factors such as material, energy and labour cost inflation, limited qualified contractor availability and abnormal works identified on intrusive surveys. Should a 20% variation in the costs of untendered projects occur then the overall provision would vary by +/- £9.6m.

The financial statements have been prepared on the latest available information; however, there remains the possibility that, despite management's endeavours to identify all such properties, including those constructed by acquired entities well before acquisition, further developments requiring remediation may emerge.

The Company has no provisions.

### 23 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- market risk;
- liquidity risk;
- capital risk; and
- credit risk.

This note presents basic information regarding the Group's exposure to these risks and the Group's objectives, strategy and processes for measuring and managing exposure to them. Unless otherwise stated references to the Group should be considered to apply to the Company as well.

The Board has overall responsibility for the assessment and effective management of the Group's risks. Comprehensive processes are in place to identify, monitor, mitigate and control risks, through the work of the Audit & Risk Committee, Group Internal Audit department and operational management teams. This includes a wide-ranging annual survey of the Board and senior management in order to assess key risk issues and emerging risks. Collectively, these processes provide the Board with visibility of the Group's full risk landscape, while remaining focused on the most significant threats and trends, and allow for the effective deployment of supporting controls.

#### Market risk

Market risk represents the potential for changes in foreign exchange prices and interest rates to affect the Group's profit and the value of its financial instruments. It also incorporates the effect of the overall UK housing market on the Group. The Group's objective in market risk management is to minimise its exposures to fluctuations within such variables whilst optimising returns.

The Group has no significant direct currency exposures.

#### Interest rate risk

The Group currently holds no fixed interest borrowings. This reflects the low borrowing requirements of the Group. The Group has no formal target for a ratio of fixed to floating funding. The responsibility for setting the level of fixed rate debt lies with the Board and is regularly reviewed in light of economic data provided by a variety of sources.

#### Sensitivity analysis

If in the year ended 31 December 2024 UK interest rates had been 1.0% higher/lower than the Group's pre-tax profit would have increased/decreased by £nil (2023: increased/decreased by £2.8m). The Group's post-tax profit would have increased/decreased by £nil (2023: increased/decreased by £2.0m). The Group's cash balance in 2024 would have increased/decreased by £0.8m (2023: £2.8m) if interest rates had been 1.0% higher/lower. This is offset by the interest charge on the Revolving Credit Facility used in the year which would have increased/decreased by £0.8m (2023: £nil) if interest rates had been 1.0% higher/lower.

These sensitivities have been prepared in respect of the direct impact of such an interest rate change on the financing expense of financial instruments only, and do not attempt to estimate the indirect effect such a change may have on the wider economic environment such as house pricing, mortgage availability and exchange rates.



## 23 Financial risk management *continued*

### Housing market risk

The Group is fundamentally affected by the level of UK house prices. These in turn are affected by factors such as credit availability, employment levels, interest rates, consumer confidence and supply of land with planning.

Whilst it is not possible for the Group to fully mitigate such risks on a national macroeconomic basis the Group does continually monitor its geographical spread within the UK, seeking to balance its investment in areas offering the best immediate returns with a long-term spread of its operations throughout the UK to minimise the risk of local microeconomic fluctuations. The Group has taken steps to control its speculative build and land acquisition activities and work in progress levels so as to manage the exposure of the Group to any further market disruption.

### Sensitivity analysis

At 31 December 2024, if UK house prices had been 10% higher/lower, and all other variables were held constant, the Group's house price linked financial instruments, which are solely shared equity loan receivables, would increase/decrease in value, excluding any effects of current or deferred tax, by £2.9m (2023: £3.2m).

### Liquidity risk

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial obligations as they fall due. The Group's strategy in relation to managing liquidity risk is to ensure that the Group has sufficient liquid funds to meet all its potential liabilities as they fall due.

This is true not only of normal market conditions but also of negative projections against expected outcomes, so as to avoid any risk of incurring contractual penalties or damaging the Group's reputation, which would in turn reduce the Group's ability to borrow at optimal rates. Therefore the Group remains confident of its continued compliance with financial covenants under the Revolving Credit Facility even in the event of deterioration in market conditions. Further information on the Group's liquidity forecast process is included in the Viability Statement on pages 76 to 78.

The Group has entered into a number of deferred payment guarantees and performance bonds in the normal course of operations. The liabilities to which these guarantees relate are recognised and accounted for in accordance with our standard accounting policies.

Liquidity forecasts are produced on (i) a daily basis to ensure that utilisation of current facilities is optimised; (ii) a monthly basis to ensure that covenant compliance targets and medium-term liquidity are maintained; and (iii) a long-term projection basis for the purpose of identifying long-term strategic funding requirements.

The Directors also continually assess the balance of capital and debt funding of the Group. They consider the security of capital funding against the potentially higher rates of return offered by debt financing in order to set an efficient but stable balance appropriate to the size of the Group.

The Group operates short-term uncommitted overdraft facilities to meet day-to-day liquidity requirements. These facilities are cancellable on request from the bank; however, the Group generally maintains low levels of borrowing on these in favour of secured facilities. These overdraft facilities are provided by five leading clearing banks to minimise exposure to any one lender.

On 5 July 2023 the Group signed a new undrawn Revolving Credit Facility ('RCF') of £700m which had a five-year term to 5 July 2028. On 6 July 2024 the term of the RCF was extended to 6 July 2029. We continue to receive good support from banking partners, with a consortium of five participating banks. The RCF is a 'Sustainability Linked' facility within the banks' finance frameworks, with ESG targets covering the facility's term. The targets are consistent with the Group's science-based operational carbon reduction targets, our commitment to deliver net zero homes in use by 2030 and our long-standing ambition to deliver excellent development opportunities for our colleagues. This committed facility is sufficient to meet projected liquidity requirements for the duration of the facility. Undrawn committed facilities at the reporting date amount to £700m (2023: £700m).

### Cash deposits

The Group has a policy of ensuring cash deposits are made with the primary objective of security of principal. Accordingly deposits are made only with approved, respected, high credit rating financial institutions. Deposits are spread across such institutions to minimise exposure to any single entity and are made on a short-term basis only to preserve liquidity.

### Capital risk

The capital structure of the Group consists of net cash/debt (borrowings as detailed in note 20 offset by cash and bank balances) and equity of the Group (comprising issued capital, reserves and retained earnings as detailed in the Statement of Changes in Shareholders' Equity). The Group's objective in managing capital is primarily to ensure the continued ability of the Group to meet its liabilities as they fall due whilst also maintaining an appropriate balance of equity and borrowings and minimising costs of capital. Close control of deployment of capital is maintained by detailed management review procedures for authorisation of significant capital commitments, such as land acquisition, capital targets for local management and a system of internal interest recharges, ensuring capital cost impact is understood and considered by all management tiers.

Decisions regarding the balance of equity and borrowings, dividend policy and all major borrowing facilities are reserved for the Board. The Group is currently pursuing a strategy of capital return to shareholders, whilst at the same time building a stronger, larger business. Full details are available in the Strategic Report on pages 1 to 78.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 23 Financial risk management continued

#### Capital risk continued

The following are the contractual maturities of financial liabilities, including interest payments (not discounted):

Group	2024 Carrying amount £m	Contractual cash flows £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Over 5 years £m
Trade and other payables	579.5	583.6	567.3	6.2	4.8	5.3
Land payables	423.2	448.8	265.5	100.1	76.6	6.6
Partnership liability	15.9	17.0	5.6	5.7	5.7	—
Financial liabilities	1,018.6	1,049.4	838.6	112.0	87.1	11.9

Group	2023 Carrying amount £m	Contractual cash flows £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Over 5 years £m
Trade and other payables	685.1	611.8	597.4	4.4	5.4	4.6
Land payables	372.0	377.0	206.5	98.7	57.6	14.2
Partnership liability	20.6	22.6	5.6	5.6	11.4	—
Financial liabilities	1,077.7	1,011.4	809.5	108.7	74.4	18.8

Company	2024 Carrying amount £m	Contractual cash flows £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Over 5 years £m
Trade and other payables (including intercompany balances)	3,799.3	3,799.3	3,797.9	0.6	0.8	—
Financial liabilities	3,799.3	3,799.3	3,797.9	0.6	0.8	—

It is noted that £3,760.9m (2023: £3,623.1m) of other payables refer to amounts owed to subsidiary undertakings. Whilst generally repayable upon demand, in practice it is unlikely there will be any required repayment in the short-term.

Company	2023 Carrying amount £m	Contractual cash flows £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Over 5 years £m
Trade and other payables (including intercompany balances)	3,659.0	3,659.0	3,658.1	0.4	0.5	—
Financial liabilities	3,659.0	3,659.0	3,658.1	0.4	0.5	—

#### Credit risk

The nature of the UK housing industry and the legal framework surrounding it results in the Group having a low exposure to credit risk.

In all but a minority of cases the full cash receipt for each sale occurs on legal completion, which is also the point of revenue recognition under the Group's accounting policies.

In certain specific circumstances the Group has entered into shared equity arrangements (not applicable to the Company). The pressures of market conditions during recessionary periods necessitated an increase in this form of sales structure from 2008. In such cases the long-term debt is secured upon the property concerned. The Group does not recognise collateral rights as a separate asset, nor does it have rights to trade such collateral. Reductions in property values leads to an increase in the credit risk of the Group in respect of such sales. There was a £0.2m requirement for a charge in relation to credit impairment in the year (2023: £nil).

The maximum total credit risk is as follows:

Group	2024 £m	2023 £m
Trade and other receivables	131.7	161.0
Shared equity loan receivables	29.0	32.1
Cash and cash equivalents	258.6	420.1
	419.3	613.2

Company	2024 £m	2023 £m
Loans and receivables (including intercompany balances)	2,064.8	2,050.9
Cash and cash equivalents	182.0	241.0
	2,246.8	2,291.9





## 23 Financial risk management continued

### Credit risk continued

The maximum credit exposure of the Group to overseas parties is £nil (2023: £nil) (Company: £nil (2023: £nil)). The Group's credit risk is widely distributed. The maximum credit risk should any single party (excepting financial institutions) fail to perform is £35.1m (2023: £39.5m) and is not yet due (Company: £1,439.5m (2023: £1,439.5m) being a subsidiary debtor). The Directors consider these financial assets to be of high quality and the credit risk is assessed as low. The maximum credit risk associated with a financial institution in respect of short-term cash deposits is £69.6m (2023: £128.5m).

### Fair value

The fair value of financial assets and liabilities is as follows:

Group	2024		2023	
	Fair value £m	Carrying value £m	Fair value £m	Carrying value £m
Trade and other receivables	131.7	131.7	161.0	161.0
Shared equity loan receivables	29.0	29.0	32.1	32.1
Cash and cash equivalents	258.6	258.6	420.1	420.1
Trade and other payables	(579.3)	(579.3)	(620.9)	(620.9)
Land payables	(423.2)	(423.2)	(372.0)	(372.0)
Partnership liability	(17.0)	(15.9)	(22.6)	(20.7)
	<b>(600.2)</b>	<b>(599.1)</b>	<b>(402.3)</b>	<b>(400.4)</b>

In aggregate, the fair value of financial assets and liabilities are not materially different from their carrying value.

Company	2024		2023	
	Fair value £m	Carrying value £m	Fair value £m	Carrying value £m
Trade and other receivables (including intercompany balances)	2,064.8	2,064.8	2,050.9	2,050.9
Cash and cash equivalents	182.0	182.0	241.0	241.0
Trade and other payables (including intercompany balances)	(3,796.7)	(3,796.7)	(3,655.1)	(3,655.1)
	<b>(1,549.9)</b>	<b>(1,549.9)</b>	<b>(1,363.2)</b>	<b>(1,363.2)</b>

Income and expense in relation to financial instruments are disclosed in note 9.

Financial assets and liabilities by category:

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Financial assets designated fair value through statement of comprehensive income	29.0	32.1	—	—
Trade and other receivables	131.7	161.0	2,064.8	2,050.9
Cash and cash equivalents	258.6	420.1	182.0	241.0
Financial liabilities at amortised cost	(1,018.4)	(1,013.6)	(3,796.7)	(3,655.1)
	<b>(599.1)</b>	<b>(400.4)</b>	<b>(1,549.9)</b>	<b>(1,363.2)</b>

Financial assets and liabilities carried at fair value are categorised within the hierarchical classification of IFRS 13

Revised (as defined within the standard) as follows:

Group	2024 Level 3 £m	2023 Level 3 £m
Shared equity loan receivables	29.0	32.1

### Shared equity loan receivables

Shared equity loan receivables represent loans advanced to customers and secured by way of a second charge on their new home. They are carried at fair value. The fair value is determined by reference to the rates at which they could be exchanged by knowledgeable and willing parties. Fair value is determined by discounting forecast cash flows for the residual period of the contract by a risk adjusted rate.

There exists an element of uncertainty over the precise final valuation and timing of cash flows arising from these loans. As a result the Group has applied inputs based on current market conditions and the Group's historical experience of actual cash flows resulting from such arrangements. These inputs are by nature estimates and as such the fair value has been classified as level 3 under the fair value hierarchy laid out in IFRS 13 Fair Value Measurement.

Significant unobservable inputs into the fair value measurement calculation include regional house price movements based on the Group's actual experience of regional house pricing and management forecasts of future movements, weighted average duration of the loans from inception to settlement of ten years (2023: ten years) and discount rate 8.8% (2023: 8.8%) based on current observed market interest rates offered to private individuals on secured second loans.

The discounted forecast cash flow calculation is dependent upon the estimated future value of the properties on which the shared equity loans are secured. Adjustments to this input, which might result from a change in the wider property market, would have a proportional impact upon the fair value of the loan. Furthermore, whilst not easily assessable in advance, the resulting change in security value may affect the credit risk associated with the counterparty, influencing fair value further.

Detail of the movements in shared equity loan receivables in the period are disclosed in note 17.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 24 Deferred tax

The following are the deferred tax assets and liabilities recognised by the Group and the movements thereon during the current and prior year:

	Note	Accelerated tax depreciation £m	Retirement benefit obligation £m	Share-based payment £m	Intangible assets £m	Other temporary differences £m	Total £m
At 1 January 2023		(6.9)	(45.3)	4.9	(17.4)	3.1	(61.6)
(Charge)/credit to income statement	11.1	(1.3)	(1.4)	0.8	—	(0.4)	(2.3)
Credit to other comprehensive income	11.2	—	9.8	—	—	—	9.8
Amounts taken directly to equity	11.3	—	—	0.7	—	—	0.7
At 1 January 2024		(8.2)	(36.9)	6.4	(17.4)	2.7	(53.4)
(Charge)/credit to income statement	11.1	(7.4)	(1.4)	2.6	—	(3.8)	(10.0)
Credit to other comprehensive income	11.2	—	0.4	—	—	—	0.4
Amounts taken directly to equity	11.3	—	—	(0.9)	—	—	(0.9)
At 31 December 2024		(15.6)	(37.9)	8.1	(17.4)	(1.1)	(63.9)

As permitted by IAS 12 Income Taxes, certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2024 £m	2023 £m
Share-based payments	8.1	6.4
Other items, including accelerated capital allowances	1.1	5.1
Deferred tax assets	9.2	11.5
Brands	(17.4)	(17.4)
Other items, including accelerated capital allowances	(55.7)	(47.5)
Deferred tax liabilities	(73.1)	(64.9)
Net deferred tax liability	(63.9)	(53.4)

The Group has recognised deferred tax liabilities of £37.9m (2023: liabilities of £36.9m) on retirement benefit assets of £130.7m (2023: assets of £127.1m).

The following are the deferred tax assets and liabilities recognised by the Company and the movements thereon during the current and prior year:

	Accelerated tax depreciation £m	Retirement benefit obligation £m	Share-based payment £m	Other temporary differences £m	Total £m
At 1 January 2023	—	(45.3)	2.7	1.2	(41.4)
(Charge)/credit to income statement	(0.2)	(1.4)	0.8	(0.6)	(1.4)
Credit to other comprehensive income	—	9.8	—	—	9.8
Amounts taken directly to equity	—	—	0.2	—	0.2
At 1 January 2024	(0.2)	(36.9)	3.7	0.6	(32.8)
(Charge)/credit to income statement	(0.6)	(1.4)	2.6	(0.2)	0.4
Credit to other comprehensive income	—	0.4	—	—	0.4
Amounts taken directly to equity	—	—	(0.5)	—	(0.5)
<b>At 31 December 2024</b>	<b>(0.8)</b>	<b>(37.9)</b>	<b>5.8</b>	<b>0.4</b>	<b>(32.5)</b>

No deferred tax assets and liabilities have been offset (2023: £nil).

### 25 Share capital

	2024 £m	2023 £m
Allotted, called up and fully paid		
319,914,868 (2023: 319,421,416) ordinary shares of 10p each	32.0	31.9

The Company has one class of ordinary shares which carry no right to fixed income. All issued shares are fully paid. During the year 493,452 ordinary shares (2023: 97,984) were issued in satisfaction of share option exercises.

The Company has established an Employee Benefit Trust to hold shares for participants of the Company's various share schemes. The Trustee is Persimmon (Share Scheme Trustees) Limited, a subsidiary company. During 2024, the Trustee transferred 33,743 shares (2023: 17,227) to employees. At 31 December 2024 the trust held 162,241 shares (2023: 180,984) on which dividends have been waived. The market value of these shares at 31 December 2024 was £1,943,647 (2023: £2,513,868).



## 25 Share capital continued

### Own shares

Own shares held at cost are reconciled as follows:

	Group £m
Balance at 31 December 2023	1.2
Own shares purchased	0.2
Disposed of on exercise/vesting to employees	(0.4)
<b>Balance at 31 December 2024</b>	<b>1.0</b>

## 26 Reconciliation of net cash flow to net cash and analysis of net cash

Group	2024 £m	2023 £m
Cash and cash equivalents at 1 January	420.1	861.6
Decrease in net cash and cash equivalents in cash flow	(161.5)	(441.5)
Cash and cash equivalents at 31 December	258.6	420.1
IFRS 16 lease liability	(14.5)	(12.9)
Net cash at 31 December	244.1	407.2

Net cash is defined as cash and cash equivalents, finance lease obligations and interest bearing borrowings.

## 27 Contingent liabilities

As disclosed in note 22 the Group has undertaken a review of all of its legacy buildings that used cladding on their facades.

The financial statements have been prepared on the latest available information; however, there remains the possibility that, despite management's endeavours to identify all such properties, including those constructed by acquired entities well before acquisition, further developments requiring remediation may emerge. There is also the possibility that estimates based on preliminary assessments regarding the scale of remediation works relating to buildings yet to be fully surveyed may prove incorrect. The cost of remedial works will remain under review and be updated as works progress.

On 26 February 2024, the CMA launched an investigation under Chapter I of the Competition Act 1998 into suspected breaches of competition law by eight housebuilders, including Persimmon, relating to concerns that they may have exchanged competitively sensitive information. On 10 January 2025, the CMA extended the timeline for the initial investigation by five months to May 2025. The Group continues to cooperate with the CMA in relation to their ongoing market investigation into alleged anti-competitive conduct by housebuilders.

The potential impact, if any, and timing is not yet known.

## 28 Retirement benefit assets

As at 31 December 2024 the Group operated five employee pension schemes, being three Group personal pension schemes and two defined benefit pension schemes. Remeasurement gains and losses in the defined benefit schemes are recognised in full as other comprehensive income within the Consolidated Statement of Comprehensive Income. All other pension scheme costs are reported in profit or loss.

### Group personal pension schemes

The Group makes contributions to the Group personal pension schemes. Dependent upon an employee's role and length of service the Group may make contributions to the schemes of up to a maximum of 9% of basic salary. The Group has no liability beyond these contributions. Group contributions to these schemes of £9.8m (2023: £5.5m) are expensed through the statement of comprehensive income as incurred.

### Persimmon Plc Pension & Life Assurance Scheme

The Persimmon Plc Pension & Life Assurance Scheme (the 'Persimmon Scheme') is a defined benefit scheme which was closed to new members in 2001, and closed to all employees during 2024. Benefits accrue on a career average revalued earnings basis. The assets of the Persimmon Scheme are held separately from those of the Group.

On 12 December 2012 Persimmon Plc made a one-off cash contribution of £57.8m to the Persimmon Scheme.

The Persimmon Scheme used these funds to invest in Persimmon Scottish Limited Partnership, which has undertaken to provide fixed cash payments to the Persimmon Scheme to meet its liabilities over a 15-year period. See note 29 for further details.

### Prowting Pension Scheme

The Group also operates the Prowting Pension Scheme (the 'Prowting Scheme'), a defined benefit scheme. Benefits accrue on a career average revalued earnings basis. The assets of the Prowting Scheme are held separately from those of the Group.

### Role of Trustees

Both the Persimmon Scheme and the Prowting Scheme (jointly the 'Pension Schemes') are managed by Trustees who are legally separate from the Company. The Trustees are composed of representatives appointed by both the employer and employees. The Trustees are required by law to act in the interest of all relevant beneficiaries and are responsible in particular for the asset investment policy plus the day-to-day administration of the benefits. They are also responsible for jointly agreeing with the employer the level of contributions due to the Pension Schemes (see below).

### Funding requirements

UK legislation requires that pension schemes are funded prudently, i.e. to a level in excess of the current expected cost of providing benefits. The last funding valuation of the Persimmon Scheme was carried out by a qualified actuary as at 1 January 2023 and as at 31 March 2021 for the Prowting Scheme. The next funding valuation will be as at 1 January 2026 for the Persimmon Scheme and as at 31 March 2024 for the Prowting Scheme (which is in progress). Subsequent valuations will be at intervals of no more than three years thereafter.

Following each valuation, the Trustees and the Company must agree the contributions required (if any) to ensure the Pension Schemes are fully funded over time on a suitable prudent measure. Contributions agreed in this manner constitute a minimum funding requirement.



## Notes to the financial statements continued

For the year ended 31 December 2024

### 28 Retirement benefit assets continued

#### Funding requirements continued

Given the current strength of the Persimmon and Prowting Scheme's funding no deficit contributions are required for either scheme. Salary related contributions for active members are payable for the Persimmon Scheme.

Under the governing documentation of the Pension Schemes, any future surplus in either scheme would be returnable to the Group by refund, assuming gradual settlement of the liabilities over the lifetime of the Pension Schemes. As a result the Group does not consider there to be an asset ceiling in respect of the Pension Schemes.

Both Pension Schemes are in a strong funding position. The Group remains committed to the continuity of this position and will review future contribution levels in the event of any significant deficit arising.

The Pension Schemes' investment strategy is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits of the members as they fall due.\* The Pension Schemes do not invest directly in complex financial instruments, though there may be limited indirect investment through investment funds.

\* Given the current financial strength of the Pension Schemes' net asset position a low risk investment strategy is applied.

#### Regulation

The UK pensions market is regulated by The Pensions Regulator, whose key statutory objectives in relation to UK defined benefit plans are:

- to protect the benefits of members;
- to promote, and to improve understanding of good administration; and
- to reduce the risk of situations arising which may lead to compensation being payable from the Pension Protection Fund ('PPF').

The Pensions Regulator has sweeping powers including the powers:

- to wind up a scheme where winding up is necessary to protect members' interests;
- to appoint or remove a trustee;
- to impose a schedule of company contributions or the calculation of the technical provisions where a trustee and company fail to agree on appropriate contributions; and
- to impose a contribution where there has been a detrimental action against a scheme.

### Risks associated with the Pension Schemes

The Pension Schemes expose the Group to a number of risks, the most significant of which are:

Risk	Description
<b>Volatile asset returns</b>	The defined benefit obligation ('DBO') is calculated using a discount rate set with reference to corporate bond yields. If assets underperform this discount rate, this will create an element of deficit. The Persimmon Scheme holds a significant proportion (c.20%) of assets in growth assets (such as equities) which, although expected to outperform corporate bonds in the long-term, create volatility and risk in the short-term. The allocation to growth assets is monitored to ensure it remains appropriate given the Pension Schemes' long-term objectives.
<b>Changes in bond yields</b>	A decrease in corporate bond yields will increase the value placed on the DBO for accounting purposes, although this will be partially offset by an increase in the value of the Pension Schemes' bond holdings.
<b>Inflation risk</b>	A significant proportion of the DBO is indexed in line with price inflation and higher inflation will lead to higher liabilities (although, in most cases, this is capped at an annual increase of 5%).
<b>Life expectancy</b>	The majority of the Pension Schemes' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the liabilities.

There are a number of other risks of running the Pension Schemes including operational risks (such as paying out the wrong benefits), legislative risks (such as the Government increasing the burden on pension through new legislation) and other demographic risks, such as a higher proportion of members having a dependant eligible to receive a survivor's pension.

#### Net pension asset

The amounts included in the balance sheet arising from the Group's obligations in respect of the Pension Schemes are as follows:

	2024 £m	2023 £m
Fair value of Pension Scheme assets	504.3	552.7
Present value of funded obligations	(373.6)	(425.6)
<b>Net pension asset</b>	<b>130.7</b>	127.1

A deferred tax liability totalling £37.9m (2023: £36.9m) has been recognised on the balance sheet in relation to the net pension asset.



## 28 Retirement benefit assets continued

### Net pension asset continued

Movements in the net pension asset on the balance sheet were as follows:

	2024 £m	2023 £m
As at 1 January	127.1	155.9
Total gain/(loss) recognised in the period	3.5	(29.2)
Company contributions paid in the period	0.1	0.4
<b>As at 31 December</b>	<b>130.7</b>	<b>127.1</b>

The Group has recognised a net pension asset on the basis that under the rules of the schemes any future surplus would be returnable to the Group by refund, assuming gradual settlement over the lifetime of the schemes.

The Company does not present valuations of its own separate assets and liabilities under the Pension Schemes as the entire net assets of the Pension Schemes are included in the Company balance sheet, as ultimate scheme sponsor.

The amounts recognised in the Consolidated Statement of Comprehensive Income are as follows:

	2024 £m	2023 £m
Current service cost	0.2	0.9
Administrative expense	0.4	0.6
Curtailment cost	0.1	—
Pension cost recognised as operating expense	0.7	1.5
Interest cost	18.6	18.8
Return on assets recorded as interest	(24.3)	(26.2)
Pension cost recognised as net finance credit	(5.7)	(7.4)
Total defined benefit pension credit recognised in profit or loss	(5.0)	(5.9)
Remeasurement loss recognised in other comprehensive income	1.5	35.1
Total defined benefit scheme (gain)/loss recognised	(3.5)	29.2

The net remeasurement loss in the year of £1.5m (2023: loss of £35.1m) reflects the net effect of a loss in asset values of £47.6m, and a decrease in liability obligations of £46.1m, largely arising from a decrease in discount rates.

### Assets

The assets of the Pension Schemes have been calculated at fair value and are invested in the following asset classes:

	2024 £m	2023 £m
<b>Equity</b>		
– UK	2.4	2.4
– US	11.8	10.8
– Eurozone	9.0	8.7
– Other	5.6	4.9
<b>Bonds</b>		
– Government	280.3	321.2
– Sub-investment grade	114.6	115.5
Asset backed funding	15.5	20.0
Diversified growth fund	53.8	50.4
Cash	11.3	18.8
<b>Total</b>	<b>504.3</b>	<b>552.7</b>

All assets have a quoted market value in an active market, with the exception of asset backed funding of £15.5m (2023: £20.0m), which related to secured cash flows.

The Persimmon Scheme holds 94% (2023: 94%) of the gross assets of the Pension Schemes and 94% (2023: 94%) of the gross liabilities. The remainder relates to the Prowting Scheme. The Pension Schemes do not engage in investments in complex financial assets such as insurance contracts or longevity derivatives.

Changes in the fair value of scheme assets were as follows:

	2024 £m	2023 £m
As at 1 January	552.7	555.6
Return on assets recorded as interest	24.3	26.2
Remeasurement losses on assets	(47.6)	(10.1)
Contributions	0.1	0.4
Benefits and expenses paid	(25.2)	(19.4)
<b>As at 31 December</b>	<b>504.3</b>	<b>552.7</b>



## Notes to the financial statements continued

For the year ended 31 December 2024

### 28 Retirement benefit assets continued

#### Defined benefit obligation

The liabilities of the Pension Schemes, at each balance sheet date, have been calculated on the following financial assumptions:

	2024 % p.a.	2023 % p.a.
Discount rate	5.5	4.5
RPI inflation assumption	3.1	3.0
CPI inflation assumption	2.7	2.6

Post-retirement life expectancy for retirement aged members is as follows:

	2024 Years	2023 Years
Male current pensioner	22.1	22.1
Male future pensioner	22.9	22.9

The defined benefit obligation includes benefits for current employees, former employees and current pensioners.

The following table provides an analysis of the defined benefit obligation by membership category:

	2024 £m	2023 £m
Total value of current employees' benefits	—	23.2
Deferred members' benefits	155.1	161.3
Pensioner members' benefits	218.5	241.1
Total defined benefit obligation	373.6	425.6

The Pension Schemes' duration is an indicator of the weighted average time until benefit payments are made. For the Pension Schemes as a whole, the duration is around 12 years.

Changes in the defined benefit obligation were as follows:

	2024 £m	2023 £m
As at 1 January	(425.6)	(399.7)
Current service cost	(0.2)	(0.9)
Curtailment cost	(0.1)	—
Interest cost	(18.6)	(18.8)
Remeasurement gain/(losses) on liabilities	46.1	(25.0)
Benefits paid	24.8	18.8
As at 31 December	(373.6)	(425.6)

#### Sensitivities

The key assumptions used for IAS 19 are: discount rate, inflation and mortality. If different assumptions were used, this could have a material effect on the results disclosed. The sensitivity of the results to these assumptions is as follows:

	2024 £m	2023 £m
Present value of defined benefit obligation ('DBO')	373.6	425.6
– DBO following a 0.25% decrease in the discount rate	384.3	438.5
– DBO following a 0.25% increase in the discount rate	363.2	413.2
– DBO following a 0.25% decrease in the inflation assumption	368.2	418.6
– DBO following a 0.25% increase in the inflation assumption	378.6	431.7
– DBO following a 1-year decrease to life expectancy	359.8	409.1
– DBO following a 1-year increase to life expectancy	386.9	441.9

The sensitivity information shown above has been prepared using the same methodology as the calculation for the current DBO.





## 29 Partnership liability to the Persimmon Plc Pension & Life Assurance Scheme

Persimmon Scottish Pension Trustees Limited, a wholly owned Group subsidiary, is general partner in Persimmon Scottish Limited Partnership (the 'Partnership'). Persimmon Pension Trustees Limited, the Trustee of the Persimmon Plc Pension & Life Assurance Scheme (the 'Persimmon Scheme') is a limited partner. The Partnership is included in the consolidated results of the Group. The Partnership has taken advantage of the exemptions in the Partnerships (Accounts) Regulations 2008 not to file separate accounts on this basis.

The terms of the Persimmon Scheme's interest in the Partnership give the pension scheme obligatory rights to cash returns but insignificant operational control over the Partnership. The interest has been classified as a financial liability and is accounted for on an amortised cost basis. During the year the Group has made payments in relation to the Partnership liability (including interest) totalling £5.6m (2023: £5.6m).

Under IAS 19 the Partnership interest of the Persimmon Scheme is included within the UK pension scheme assets. For further details see note 28.

The Partnership is the beneficial owner of a bond secured on a proportion of the Group's shared equity loan receivables and guaranteed by Persimmon Plc, which will support the Partnership investment return to the Persimmon Scheme.

## 30 Share-based payments

The Group operates a number of share option schemes, the details of which are provided below. All schemes were equity settled.

The Savings-Related Share Option Scheme is an HMRC approved scheme open to all permanent employees. Options can normally be exercised three years after the date of grant.

Options have been issued to senior management (including the Executive Directors) under the Group's various executive share option schemes, which include awards under the Group's Long Term Incentive Plans. Future vesting of options is dependent upon customer care, cash generation and TSR performance for options granted between 2019 and 2022 under the Persimmon Plc 2017 Performance Share Plan and on customer care, cash generation, TSR performance and carbon reduction for options granted in 2023 under the Persimmon Plc 2017 Performance Share Plan.

Reconciliations of share options outstanding during each period, under each type of share scheme, are as follows:

	2024		2023	
	Savings-Related Share Option Scheme		Savings-Related Share Option Scheme	
Group and Company	Number of shares under option	Weighted average exercise price (p)	Number of shares under option	Weighted average exercise price (p)
Outstanding at the beginning of the year	2,233,801	954.9	1,714,778	1,290.4
Granted during the year	292,575	1,336.0	1,620,573	818.4
Forfeited during the year	(448,992)	1,133.8	(1,100,963)	1,276.4
Exercised during the year	(5,402)	969.4	(587)	1,080.0
Outstanding at the end of the year	2,071,982	970.0	2,233,801	954.9
Exercisable at the end of the year	43,936	2,197.0	94,041	1,854.0

Group and Company	2024 Bonus Share Scheme	2023 Bonus Share Scheme
	Number of shares under option	Number of shares under option
Outstanding at the beginning of the year	141,405	68,383
Granted during the year	92,340	109,937
Forfeited during the year	(7,572)	(36,915)
Exercised during the year	(21,093)	—
Outstanding at the end of the year	205,080	141,405
Exercisable at the end of the year	—	—

Group and Company	2024 Buy Out Award	2023 Buy Out Award
	Number of shares under option	Number of shares under option
Outstanding at the beginning of the year	78,092	172,327
Granted during the year	142,706	10,385
Forfeited during the year	(6,525)	(87,393)
Exercised during the year	(12,650)	(17,227)
Outstanding at the end of the year	201,623	78,092
Exercisable at the end of the year	67,707	—

Group and Company	2024 2017 Performance Share Plan	2023 2017 Performance Share Plan
	Number of shares under option	Number of shares under option
Outstanding at the beginning of the year	3,679,304	2,481,222
Granted during the year	2,319,931	1,932,295
Forfeited during the year	(659,042)	(630,667)
Exercised during the year	(488,053)	(103,546)
Outstanding at the end of the year	4,852,140	3,679,304
Exercisable at the end of the year	424,151	1,127,391



## Notes to the financial statements continued

For the year ended 31 December 2024

### 30 Share-based payments continued

The weighted average share price at the date of exercise for share options exercised during the period was 1,394.0p (2023: 1,252.9p). The options outstanding at 31 December 2024 had a range of exercise prices from nil to 1,080.0p and a weighted average remaining contractual life of 1.8 years (2023: 1.7 years).

The inputs into the Black Scholes option pricing model for options that were granted in the year were as follows:

Option valuation assumptions	PSP 2024 Tranche 1	PSP 2024 Tranche 2	PSP 2024 Tranche 3	SAYE 2024
Grant date	25 March 2024	18 June 2024	19 September 2024	14 October 2024
Risk free interest rate	4.16%	4.24%	3.81%	3.97%
Exercise price	—	—	—	£13.36
Share price at date of grant	£13.02	£14.05	£16.94	£16.01
Expected dividend yield*	0%	0%	0%	5%
Expected life	2.9 years	2.7 years	2.4 years	3.3 years
Holding period	Nil**	Nil**	Nil**	n/a
Date of vesting	28 February 2027	28 February 2027	28 February 2027	1 December 2027
Expected volatility	35.6%	36.6%	35.7%	35.2%
Fair value of option	£9.66	£10.42	£15.33	£1.69

\* At the discretion of the Remuneration Committee a cash bonus may be transferred to holders of 2024 PSP grants equivalent to the value of any dividend which would have been paid on the shares held under option had those instead been issued. For purposes of this valuation it has been assumed that such a transfer will be made and the forgone dividend yield assumption set to nil.

\*\* A subset of PSP 2024 granted to senior management, including the Executive Board Directors, were restricted by an additional 2-year holding period, with a reduced fair value resulting.

The expected life used in the model has been adjusted, based on best estimates, to reflect exercise restrictions and behavioural considerations.

In 2024, the Group recognised total expenses before tax of £14.7m (2023: £4.5m) in relation to equity settled share-based payment transactions in the Consolidated Statement of Comprehensive Income. These option charges have been credited against the retained earnings reserve. As at 31 December 2024 the total credit recognised in relation to equity settled share-based payments was £32.3m (2023: £26.3m) of which £8.2m (2023: £9.4m) related to options currently vested awaiting exercise. All share-based payments are expensed by the Company.

### 31 Related party transactions

The Board and certain members of senior management are related parties within the definition of IAS 24 Related Party Disclosures. Summary information of the transactions with key management personnel is provided in note 7. Detailed disclosure of the individual remuneration of Board members is included in the Remuneration Report on pages 118 to 142. There is no difference between transactions with key management personnel of the Company and the Group.

The Company has entered into transactions with its subsidiary undertakings in respect of the following: internal funding loans and provision of Group services (including senior management, IT, accounting, marketing, purchasing, legal and conveyancing services). Recharges are made to subsidiary undertakings for Group loans, based on funding provided, at an interest rate linked to average Group borrowing costs. No recharges are made in respect of balances due to or from otherwise dormant subsidiaries. Recharges are made for Group services based on utilisation of those services.

During the year these recharges amounted to:

	2024 £m	2023 £m
Interest charges on intra-Group funding	(17.8)	(96.3)
Group services recharges	129.0	167.4
	111.2	71.1

In addition to these services the Company acts as a buying agent for certain Group purchases, such as insurance. These are recharged at cost based on utilisation by the subsidiary undertaking.

The amount outstanding from subsidiary undertakings to the Company at 31 December 2024 totalled £2,045.6m (2023: £2,040.4m). Amounts owed to subsidiary undertakings by the Company at 31 December 2024 totalled £3,760.9m (2023: £3,623.1m).



### 31 Related party transactions *continued*

The Company provides the Group's defined benefit pension schemes. Current employer contributions are charged to the operating businesses at cost. There is no contractual arrangement or stated policy relating to the net defined benefit cost. Experience and remeasurement gains and losses are recognised in the Company.

The Company guarantees a bond issued from Persimmon Shared Equity Limited to Persimmon Scottish Limited Partnership (both subsidiary undertakings). The fair value of the bond at 31 December 2024 is £15.5m (2023: £20.0m).

Certain subsidiary undertakings have entered into guarantees of external bank loans and overdrafts of the Company. The total value of such borrowings at 31 December 2024 was £nil (2023: £nil). The Company has entered into guarantees over bank loans and borrowings of the subsidiary undertakings. The total value of such borrowings at 31 December 2024 was £nil (2023: £nil). The value of these guarantees in the year is assessed as insignificant.

The Company has suffered a £nil expense in respect of bad or doubtful debts of subsidiary undertakings in the year (2023: £nil).

### 32 Details of major Group undertakings

The Directors set out below information relating to the major subsidiary undertakings (those that principally affect the profits and assets of the Group) of Persimmon Plc at 31 December 2024. All of these companies are registered in England. All voting rights are held by companies within the Group. A full list of subsidiary undertakings and jointly controlled entities can be found in note 33.

#### Major subsidiary undertakings

Persimmon Homes Limited <sup>o</sup>	Charles Church Developments Limited <sup>Δ</sup>
Persimmon Holdings Limited*	Persimmon Shared Equity Limited**
Persimmon Scottish Limited Partnership***	

<sup>o</sup> The shares of this company are held by Persimmon Holdings Limited and Persimmon Plc.

<sup>Δ</sup> The shares of this company are held by Persimmon Holdings Limited.

\* The shares of this company are held by Persimmon Finance Limited and Persimmon Plc.

\*\* The shares of this company are held by Persimmon Plc.

\*\*\* This entity is controlled by Persimmon Scottish Pension Trustees Limited (see note 28).

### 33 Details of all subsidiary undertakings

#### Persimmon Group subsidiary companies

The following companies, included in these consolidated accounts, are wholly owned by the Persimmon Group and are incorporated in the UK unless otherwise stated. Persimmon Plc or its subsidiary companies also hold all of the voting rights unless otherwise stated. The Registered Office for each company is Persimmon House, Fulford, York, YO19 4FE unless otherwise stated.

Name of undertaking	Description of shares held
@Home Limited	Ordinary* and 3.5% Preference*
A.E.A Prowling Limited	Ordinary*
A Monk & Company Developments (S.W.) Limited	Ordinary* and Deferred*

Name of undertaking	Description of shares held
Alford Brothers Limited	Ordinary*
Anjok 157 Limited	Ordinary*
Anjok 171 Limited <sup>1</sup>	Ordinary*
Anjok 172 Limited	Ordinary*
Anjok 173 Limited	Ordinary*
Anjok 269 Limited <sup>1</sup>	Ordinary* and Deferred*
Anjok 28 Limited	Ordinary* and 8% Preference*
Anjok 31 Limited	Ordinary*
Anjok Five (1996) Limited	Ordinary*
Anjok Holdings Limited	Ordinary* and Deferred*
Anjok Investments Limited	Ordinary*
Anjok Twenty Limited <sup>1</sup>	A Ordinary* and B Ordinary*
Anjok Two Limited	Ordinary*
Aria Homes Limited	A Ordinary* and B Ordinary*
Arthur S Nixon and Company	1% Non-Cumulative Preference* and Ordinary*
Aspect Homes Limited	Ordinary*
Atlantis One Limited	Ordinary* and Preference*
Beazer Group Limited	Ordinary*
Beazer Homes (Anglia) Limited	Deferred* and A Ordinary*
Beazer Homes (Barry) Limited	Ordinary*
Beazer Homes (FLE) Limited	A Ordinary* and B Ordinary*
Beazer Homes (FNLHS) Limited	Ordinary*
Beazer Homes (South Wales) Limited	Ordinary*
Beazer Homes (Wessex) Limited	Ordinary*
Beazer Homes and Property Limited	Ordinary*
Beazer Homes Bedford Limited	Deferred* and A Ordinary*
Beazer Homes Birmingham Central Limited	Deferred* and A Ordinary*
Beazer Homes Bridgwater Limited	Deferred* and A Ordinary*
Beazer Homes Bristol Limited	Deferred* and A Ordinary*
Beazer Homes Cardiff Limited	Deferred* and A Ordinary*
Beazer Homes Doncaster Limited	Deferred* and A Ordinary*
Beazer Homes Edinburgh Limited <sup>1</sup>	Deferred* and A Ordinary*



## Notes to the financial statements continued

For the year ended 31 December 2024

### 33 Details of all subsidiary undertakings continued

#### Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Beazer Homes Glasgow Limited <sup>1</sup>	Deferred* and A Ordinary*
Beazer Homes Limited	Ordinary*, Deferred* and A Ordinary*
Beazer Homes Nottingham Limited	Ordinary*
Beazer Homes Reigate Limited	Ordinary*
Beazer Homes Stockport Limited	Deferred* and A Ordinary*
Beazer Homes Yateley Limited	Deferred* and A Ordinary*
Beazer London Limited	Ordinary*
Beazer Partnership Homes (Scotland) Limited <sup>1</sup>	Ordinary*
Beazer Partnership Homes Midlands Limited	Ordinary*
Beazer Swaffham Limited	Ordinary*
Beazer Urban Developments (Anglia) Limited	Deferred* and A Ordinary*
Beazer Urban Developments (Bedford) Limited	Ordinary*
Beazer Urban Developments (East Midlands) Limited	Ordinary*
Beazer Urban Developments (South West) Limited	Ordinary*
Beazer Western Engineering Services Limited	Ordinary*
Belsco 1020 Limited <sup>1</sup>	Ordinary*
Breakblock Limited	Ordinary*
Broomco (3385) Limited	Ordinary*
Bruce Fletcher (Leicester) Limited	Ordinary*
Charles Church Civil Engineering Limited	Ordinary*
Charles Church Developments Limited	Ordinary*
Charles Church Essex Limited	Ordinary*
Charles Church Estates Limited	Ordinary*
Charles Church Holdings plc	A Convertible Ordinary*, B Ordinary*, B Redeemable Preference*, C Preference*, D Ordinary*, D Preference*, Deferred*, E Deferred*, E Ordinary* and Preference*
Charles Church Housing Limited	Ordinary*
Charles Church Investment Properties Limited	Ordinary*
Charles Church Kent Limited	Ordinary*
Charles Church Limited	Ordinary*
Charles Church London Limited	Ordinary*
Charles Church Management Limited	Ordinary*

Name of undertaking	Description of shares held
Charles Church Partnership Homes Limited	Ordinary*
Charles Church Residential Developments Limited	Ordinary*
Charles Church South East Limited	Ordinary*
Charles Church Southern Limited	Ordinary*
Charles Church Thames Valley Limited	Ordinary*
Charles Church Trading Limited	Ordinary*
Charles Church Village Heritage plc	Ordinary*
Coatglade Limited	Ordinary*
Comben Group Limited	A Deferred Ordinary, B Deferred Ordinary and Ordinary
Cresswellshawe Properties Limited	Ordinary* and 3.5% Preference*
Crowther Homes (Darlington) Limited	Ordinary*
Crowther Homes (Midland) Limited	Ordinary*
Crowther Homes (Nat W) Limited	Ordinary*
Crowther Homes (Yarm) Limited	Ordinary*
Crowther Homes Limited	Ordinary*
D Dunk (Builders) Limited	Ordinary*
D R Dunthorn & Son Limited	Deferred*, Deferred* and Ordinary*
Datblygwyr Dorothea Limited (94% of nominal value owned)	Ordinary*
Delany Brothers (Housebuilders) Limited	Ordinary* and Preference*
Domus Group Limited	Deferred*, Deferred* and A Ordinary*
E.E. Reed & Co. (Builders) Limited	Ordinary*
E F G H Limited	Ordinary*
E F G H Nominees Limited	Ordinary*
Emerson Park Limited	Ordinary*
F C Spear Limited	Ordinary*
Ferry Quay Developments Limited	A Ordinary*, B Ordinary* and C Ordinary*
Flex Fibre Limited	Ordinary*
FibreNest Limited	Ordinary*
FibreScale Limited	Ordinary*
Frays Property Management (No.1) Limited	Ordinary*
Frays Property Management (No.2) Limited	Ordinary*
Frays Property Management (No.6) Limited	Ordinary*
Friary Homes Limited	Ordinary*



### 33 Details of all subsidiary undertakings continued

#### Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Galliford Developments Limited	Ordinary*
Galliford Homes (London) Limited	A Ordinary* and B Ordinary*
Galliford Homes Holdings Limited	A Ordinary*, B Ordinary* and Preference*
Galliford Homes Limited	Ordinary*
Galliford Properties Southern Limited	Ordinary*
Galliford Southern Limited	Ordinary*
Geo. Wright & Co. (Contractors Wolverhampton) Limited	Deferred*, A Deferred* and A Ordinary*
Glamford Building Company Limited	Ordinary*
Gomersal Mills Limited	Deferred* and Ordinary*
Gosforth Business Park Management Company (No.2) Limited	Ordinary*
Haven Retirement Homes Limited	Ordinary*
Hazels Development Company Limited	A Ordinary* and B Ordinary*
Hillreed Developments Limited	Ordinary*
Hillreed Holdings Limited	Ordinary*, Management Shares* and Cumulative Preference*
Hillreed Homes Limited	Ordinary*
Hillreed Properties Limited	Ordinary*
Horsebridge Network Systems Limited	A Ordinary*
Ideal Developments Limited	Ordinary*
Ideal Homes (UK) Limited	Ordinary*
Ideal Homes Anglia Limited	Ordinary*
Ideal Homes Central Limited	A Non-Voting Ordinary* and B Ordinary*
Ideal Homes Holdings Limited	Deferred and Ordinary
Ideal Homes Limited	Ordinary*
Ideal Homes Midlands Limited	Ordinary*
Ideal Homes North West Limited	Ordinary*
Ideal Homes Northern Limited	Ordinary*
Ideal Homes Scotland Limited	Ordinary*
Ideal Homes Services Limited	Ordinary*
Ideal Homes Southern Limited	Ordinary*
J.W. Liptrot & Company Limited	Ordinary*
Jaboulet Limited	Ordinary*

Name of undertaking	Description of shares held
John Maunders Group Limited	Ordinary*
Kenton Contracting (Yorkshire) Limited	Ordinary*
Kenton Contractors (Yorkshire) Limited	Ordinary*
Kenton Homes (Builders) Limited	Ordinary*
Kenton Homes (Developments) Limited	Ordinary*
Kenton Homes (Estates) Limited	Ordinary*
Knightsmoor Homes Limited	Ordinary*
Lady's Lane Property Co. Limited	Ordinary*
Lansdown Homes Limited	Ordinary*
Lazy Acre Investments Limited	Ordinary*
Leech Homes (Showhouses) Limited	Ordinary*, 0.1% Non-Cumulative Preference A* and 1% Non-Cumulative Preference B*
Leech Homes (Wales) Limited	Ordinary*
Leech Homes (Yorkshire) Limited	Ordinary*
Leech Homes Limited	Deferred* and A Ordinary*
Leech Northumbria Limited	Ordinary*
Leech Partnership Homes Limited	Ordinary*
Leisurama Homes Limited	Ordinary*
Linkway Properties Limited	Ordinary*
Locking Castle Limited	A Ordinary*, B Ordinary* and C Ordinary*
Magnus Design Build Limited	Ordinary*
Magnus Holdings Limited	A Ordinary*, B Ordinary*, C Ordinary*, Enduring Ordinary* and Cumulative Redeemable Preference*
Mapleleigh Limited	Ordinary*
Marriott Homes Limited	Ordinary*
Maunders Homes (East Anglia) Limited	Ordinary*
Maunders Homes (Midlands) Limited	Ordinary*
Maunders Homes (North West) Limited	Ordinary*
Maunders Homes (South) Limited	Ordinary*
Maunders Inner City Limited	Ordinary*
Maunders Urban Renewal Limited	Ordinary*
Mayclose Research Limited	Ordinary*
Melville Homes Limited	A Ordinary*, B Ordinary*, C Ordinary*, Deferred* and Cumulative Redeemable Preference*



## Notes to the financial statements continued

For the year ended 31 December 2024

### 33 Details of all subsidiary undertakings continued

#### Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Merewood (Kendal) Limited	Ordinary*
Merewood Group Limited	Ordinary*
Merewood Homes Limited	Ordinary*
Merewood Investments Limited	Ordinary*
Mightover Limited	Ordinary
Milton Keynes Housing Group Limited	Ordinary*
Mitrebuild Limited	Ordinary* and Deferred Ordinary*
Monk Homes Limited	Ordinary*
Monsell Youell Construction Limited	Ordinary*
Monsell Youell Limited	Deferred* and A Ordinary*
Montague Developments Limited	Ordinary*
Mount Row Finance Limited	Ordinary*
Mount Row Securities Limited	Ordinary*
NGP Management Company Residential (Cell C) Limited <sup>2</sup>	Ordinary*
Pacemaker Developments Limited	Ordinary*
Park House Developments (Petersfield) Limited	Ordinary*
Partnership Homes Limited	Ordinary*
Pennant Developments Limited	Ordinary* and 5% Non-Cumulative Preference*
Pentra Limited	Ordinary*
Perlease Limited	Ordinary*
Persimmon (City Developments) Limited	Ordinary*
Persimmon (Eccleshall) Limited	Ordinary*
Persimmon (Share Scheme Trustees) Limited	Ordinary
Persimmon (SHL) Limited	Ordinary*
Persimmon (Strensall) Limited	Ordinary*
Persimmon Brickworks Limited	Ordinary*
Persimmon Developments (No 1) Limited	Ordinary*
Persimmon Developments (No 2) Limited	Ordinary*
Persimmon Developments (Didcot) Limited	Ordinary*
Persimmon Developments (No 5) Limited	Ordinary*
Persimmon Developments (No 6) Limited	Ordinary*

Name of undertaking	Description of shares held
Persimmon Developments (No 7) Limited	Ordinary*
Persimmon DN Limited (incorporated in Ireland) <sup>3</sup>	Ordinary*
Persimmon Finance (Jersey) Limited (incorporated in Jersey) <sup>4</sup>	Ordinary
Persimmon Finance (No 2) Limited	Ordinary
Persimmon Finance Limited	Ordinary
Persimmon Harts Limited	Ordinary
Persimmon GR (No 4) Limited	Ordinary*
Persimmon GR (No 11) Limited	Ordinary*
Persimmon GR (No 12) Limited	Ordinary*
Persimmon GR (No 13) Limited	Ordinary*
Persimmon GR (No 14) Limited	Ordinary*
Persimmon GR (No 15) Limited	Ordinary*
Persimmon GR (No 16) Limited	Ordinary*
Persimmon GR (No 17) Limited	Ordinary*
Persimmon Holdings Limited	Ordinary and A Ordinary*
Persimmon Homes (Anglia) Limited	Ordinary*
Persimmon Homes (Doncaster) Limited	Ordinary*
Persimmon Homes (East Midlands) Limited	Ordinary*
Persimmon Homes (East Scotland) Limited	Ordinary*
Persimmon Homes (East Yorkshire) Limited	Ordinary*
Persimmon Homes (Edmonstone) Limited	Ordinary
Persimmon Homes (Essex) Limited	Deferred* and A Ordinary*
Persimmon Homes (Lancashire) Limited	Ordinary*
Persimmon Homes (Mercia) Limited	Ordinary*
Persimmon Homes (Midlands) Limited	Ordinary*
Persimmon Homes (North East) Limited	Ordinary*
Persimmon Homes (North Midlands) Limited	Ordinary*
Persimmon Homes (North West) Limited	Ordinary*
Persimmon Homes (Partnerships) Limited	Ordinary
Persimmon Homes (South Coast) Limited	Ordinary*
Persimmon Homes (South East) Limited	Ordinary*
Persimmon Homes (South Midlands) Limited	Deferred* and A Ordinary*
Persimmon Homes (South West) Limited	Ordinary*





### 33 Details of all subsidiary undertakings continued

#### Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Persimmon Homes (South Yorkshire) Limited	Ordinary*
Persimmon Homes (Teesside) Limited	Ordinary*
Persimmon Homes (Thames Valley) Limited	Ordinary*
Persimmon Homes (Wales) Limited	Ordinary*
Persimmon Homes (Wessex) Limited	Ordinary*
Persimmon Homes (West Midlands) Limited	Deferred* and A Ordinary*
Persimmon Homes (West Scotland) Limited	Ordinary*
Persimmon Homes (West Yorkshire) Limited	Ordinary*
Persimmon Homes (Woodley) Limited	Ordinary
Persimmon Homes (York) Limited	Ordinary
Persimmon Homes (Yorkshire) Limited	Deferred* and Ordinary*
Persimmon Homes Developments Limited	Ordinary
Persimmon Homes Limited	Ordinary*
Persimmon Partnerships (Scotland) Limited	Ordinary*
Persimmon Pension Trustees Limited	Ordinary
Persimmon Residential Limited	Ordinary*
Persimmon SC (No 1) Limited	Ordinary*
Persimmon SC (No 2) Limited	Ordinary*
Persimmon SC (No 3) Limited	Ordinary*
Persimmon SC (No 4) Limited	Ordinary*
Persimmon SC (No 5) Limited	Ordinary*
Persimmon SC (No 6) Limited	Ordinary*
Persimmon Scottish Limited Partnership** <sup>1</sup>	n/a
Persimmon Scottish Pension Trustees Limited <sup>1</sup>	Ordinary
Persimmon Shared Equity Limited	Ordinary
Persimmon Tileworks Limited	Ordinary*
Persimmon Trustees Limited	Ordinary
Pinnacle Developments (Scotland) Limited <sup>1</sup>	Ordinary*
Practical Finance Co. Limited	Ordinary*
Prowting Homes Anglia Limited	B Ordinary*, C Ordinary* and D Ordinary*
Prowting Homes Central Limited	Ordinary*

Name of undertaking	Description of shares held
Prowting Homes Chatsworth Limited	Ordinary*
Prowting Homes Limited	Ordinary*
Prowting Homes Ludlow Limited	Ordinary*
Prowting Homes Midlands Limited	Ordinary*
Prowting Homes South East Limited	Ordinary*
Prowting Homes South West Limited	Ordinary*
Prowting Homes West Limited	Ordinary*
Prowting Homes Wolds Limited	Ordinary*
Prowting Limited	Ordinary*
Prowting Projects Limited	Ordinary*
Prowting Properties Limited	Ordinary*
Repac Homes Limited	Ordinary*
SLB Construction Management Limited	Ordinary*
Second City Homes Limited	Deferred* and A Ordinary*
Senator Homes Limited	Ordinary*
Sequoia Developments Limited	Ordinary*
Severnbrook Homes Limited	Ordinary*
Sherbourne Properties (Warwick) Limited	Ordinary*
Space4 Limited	Ordinary*
Springfir Estates Limited	Ordinary*
Springfir Holdings Limited	Ordinary*
Steelhaven (7) Limited	Ordinary* and 1% Non-Cumulative Redeemable Participating Preference*
Tamborough Developments Limited	Ordinary*
Tela Properties Limited	Ordinary*
The Charles Church Group Limited	A Ordinary*
The Charles Church Group Share Trustees Limited	Ordinary*
Townedge (Holdings) Limited	Ordinary*
Townedge Estates Limited	Ordinary*
Trent Park Regeneration Limited	A Ordinary* and B Ordinary*
Tryall Developments Limited	Ordinary*
Tudor Jenkins & Company Limited	Ordinary*
Walker Homes (Scotland) Limited <sup>1</sup>	Ordinary*



## Notes to the financial statements continued

For the year ended 31 December 2024

### 33 Details of all subsidiary undertakings continued

#### Persimmon Group subsidiary companies continued

Name of undertaking	Description of shares held
Wardour Limited (Incorporated in Gibraltar) <sup>5</sup>	Ordinary*
Wenshaw Limited	Ordinary*
Wescott Holdings Limited	Ordinary*
Wescott Homes Limited	Ordinary*
Wescott Land Limited	Ordinary*
Westbury Direct Limited	Ordinary*
Westbury Homes (Holdings) Limited	Irredeemable Preference*, Ordinary*, Deferred* and 9.25% Preference*
Westbury Homes (Midlands) Limited	Ordinary*
Westbury Homes (Oval) Limited	Ordinary*
Westbury Homes (Sevenside) Limited	Ordinary*
Westbury Homes (Somerset) Limited	Ordinary*
Westbury Homes (South West) Limited	Ordinary*
Westbury Homes (Stadium) Limited	Ordinary*
Westbury Homes (Venymore) Limited	A Ordinary* and B Ordinary*
Westbury Homes (Wales) Limited	Ordinary*
Westbury Homes (West Midlands) Limited	Ordinary*
Westbury Homes Limited	Ordinary*
Westbury Housing Investments Limited	Ordinary*
Westbury Limited	Ordinary
William Leech Builders (North West) Limited	Ordinary*
William Leech Limited	Ordinary* and 6.5% Cumulative Preference*

#### Joint arrangements

Name of undertaking	Description of shares held	Proportion of nominal value of share class held	Proportion of all share classes
Beechpath Limited	Ordinary	50%	50%
Bentwaters Housing Limited	Ordinary	50%	50%
Bentwaters Nominees Limited	Ordinary	50%	50%
Coton Park Consortium Limited <sup>6</sup>	WD	50%	25%
Cramlington Developments Limited	A Ordinary	100%	50%
Genesis Estates (Manchester) Limited <sup>7</sup>	Ordinary	50%	50%

Name of undertaking	Description of shares held	Proportion of nominal value of share class held	Proportion of all share classes
Gosforth Business Park Management Company Limited	A Ordinary	100%	33.3%
Haydon Development Company Limited <sup>8</sup>	Ordinary	20.5%	20.5%
Leebell Developments Limited	A Ordinary	100%	50%
Newcastle Great Park (Estates) Limited <sup>2</sup>	A Ordinary	100%	50%
North Haven Developments (Sunderland) Limited	B Ordinary	100%	50%
North Swindon Development Company Limited <sup>8</sup>	Ordinary	15%	15%
Oxfordshire Land Limited	Ordinary	33.3%	33.3%
Quedgeley Urban Village Limited <sup>9</sup>	C Ordinary	100%	25%
Rothley Temple Estates Limited <sup>10</sup>	Ordinary	28.5%	28.5%
Sociedade Torre de Marinha Realizacoes Turisticas SA (incorporated in Portugal) <sup>11</sup>	Ordinary	50%	50%
Trafalgar Metropolitan Homes Limited	A Ordinary	100%	50%
Triumphdeal Limited <sup>12</sup>	Ordinary	50%	50%
Wick 3 Nominees Limited	B Ordinary	100%	33.3%

During 2024 the Group wrote down the value of its investment in TopHat Enterprises Limited to £nil.

\* Share class held by another Group company, but ultimately held by Persimmon Plc.

\*\* A Scottish Limited Partnership.

- 180 Findochty Street, Garthamlock, Glasgow, G33 5EP
- 3rd Floor Citygate, St. James' Boulevard, Newcastle upon Tyne, Tyne & Wear, NE1 4JE
- 10 Earlsfort Terrace, Dublin 2, D02 T380, Ireland
- 44 Esplanade, St Helier, JE4 9WG, Jersey
- 3 Bell Lane, Gibraltar
- The Office, 12 Westfield Close, Gravesend, Kent, DA12 5EH
- 6 Europa Court, Sheffield Business Park, Sheffield, S9 1XE
- 6 Drakes Meadow, Penny Lane, Swindon, Wiltshire, SN3 3LL
- 250 Aztec West, Almondsbury, Bristol, BS32 4TR
- 137 Scalby Road, Scarborough, North Yorkshire, YO12 6TB
- Av. Duque de Loulé 47-2, 1050-086, Lisbon, Portugal
- Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR



## 33 Details of all subsidiary undertakings

continued

### Audit exemption

The subsidiaries listed in the table below have adopted the exemption from audit available under section 479A of the Companies Act 2006 for the year ended 31 December 2024; the subsidiaries are 100% owned, either directly or indirectly, by Persimmon Plc. In accordance with section 479C of the Companies Act 2006, Persimmon Plc will guarantee the outstanding liabilities of the subsidiaries listed in the table below.

Subsidiary	Company number
Anjok Investments Limited	09497717
Hillreed Developments Limited	02951327
Merewood Group Limited	01967047
Pentra Limited	02782107
Persimmon Developments (Didcot) Limited	06252681
Persimmon Homes Developments Limited	02572895
Persimmon Scottish Pension Trustees Limited	SC435631
Wescott Homes Limited	04995310
Westbury Housing Investments Limited	06252707

### Resident Management Companies

The companies listed below are Resident Management Companies ('RMCs') currently controlled by the Group. Control is exercised by the Group's power to appoint Directors and the Group's voting rights in these companies. All RMCs are companies limited by guarantee without share capital (unless otherwise stated) and incorporated in the UK.

The capital, reserves and profit or loss for the year have not been stated for these RMCs as beneficial interest in any assets or liabilities of these companies is held by the residents. These companies have not been included in the consolidated accounts, are temporary members of the Group and will be handed over to residents in due course.

The Registered Office of each RMC is Persimmon House, Fulford, York, YO19 4FE (unless otherwise stated).

### Company name

Abbey Green (Amesbury) Management Company Limited

Abbeyvale Taunton Management Company Limited<sup>1</sup>

Abbot Walk (Chatteris) Residents Management Company Limited

Abbotsham Park (Bideford) Management Company Limited

Ackton Pastures (Castleford) Management Company Limited

Agusta Park Flats Yeovil Management Company Limited

Agusta Park Yeovil Management Company Limited

Alderman Park (Hasland) Management Company Limited

Allt Y Celyn (Rhos) Management Company Limited

Amberwood (Carlisle) Management Company Limited

Amblehurst Green (Billingshurst) Management Company Limited<sup>2</sup>

Appledore Grove Management Company Limited

Arisdale (Phase 2) Residents Management Company Limited

Arnold Way (Grove) Management Company Limited

Arnold Way No. 2 (Grove) Management Company Limited

Arnold Way No. 3 (Grove) Management Company Limited

Ashworth Place (Phase 2) Management Limited

Augusta Park (Dinnington) Management Company Limited

Avalon (Mansfield) Management Company Limited<sup>3</sup>

Avon Fields (Durrington) Management Company Limited

Awel Afan (Port Talbot) Management Company Limited

Awel Y Mynydd (Pembrey) Management Company Ltd

Aykley Woods (Durham) Management Company Limited<sup>4</sup>

Aylesham Village Phase 1B (Aylesham) Residents Management Company Limited

Aylesham Village Phase 2 (Aylesham) Residents Management Co Ltd

Aylesham Village Phase 2B And 2C (Aylesham) Residents Management Company Limited

Backbridge (Malmesbury) Management Company Limited

Badbury Park (Swindon) Management Company Limited

Badbury Park (Swindon) No 2 Management Company Limited

Badbury Park (Swindon) No 3 Management Company Limited

Bannerbrook Management Company Limited<sup>5</sup>

Bannerbrook Park Phase II (Coventry) Management Company Limited

Barber Court (Birmingham) Management Company Limited

Barrington Park Management Company Limited<sup>6</sup>

Barry Waterfront Residents Management Company Limited<sup>7</sup>

Beamhill Heights Management Company Limited<sup>8</sup>

Beauchamp Grange (Caister) Residents Management Company Limited

Beckets Grove Management Company Limited

Beckets Grove Phase 2 (Wymondham) Residents Management Company Limited

Beckford Road (Alderton) Management Company Limited

Belgrave Court (Cheltenham) Management Company Limited<sup>7</sup>

Bell Lane (Little Chalfont) Management Company Limited

Bells Hill Management Company Limited<sup>9</sup>

Berrow Court Management Company Limited<sup>7</sup>

Birchwood Manor (Wardley) Residents Management Company Limited

Bishops Green (Coundon) Management Company Limited

Bishops Mead (Lydney) Management Company Limited

Bishops Meade (Downton) Management Company Limited

Bluebell Grange Residents Management Company Limited

Bluebell Meadow (Bradwell) Management Company Limited

Bluebell Wood (Willenhall) Management Company Limited<sup>1</sup>

Bootham Crescent (York) Residents Management Company Limited

Boulton Moor (Derby) Properties Limited

Boyton Place (Haverhill) Residents Management Company Limited

Brackenleigh (Carlisle) Management Company Limited

Bradley Barton View Management Company Limited

Bramble Rise (Hetton) Management Company Limited

Bramblewood (Old Basing) Residents Management Company Limited<sup>7</sup>

Brampton Vale (Rotherham) Management Company Limited

Branshaw Park (Keighley) Management Company Ltd

Bridgefield (Ashford) Management Company Limited



## Notes to the financial statements continued

For the year ended 31 December 2024

### 33 Details of all subsidiary undertakings continued

#### Resident Management Companies continued

##### Company name continued

Bridgefield Nine Management Company Limited

Brindle Park (Bamber Bridge) Management Company Limited<sup>9</sup>

Broadway (Rainham) Residents Management Company Limited

Brokeridge Road (Twynning) Resident Management Company Limited<sup>1</sup>

Brookfield (Golborne) Management Company Limited<sup>6</sup>

Broomhill View (Togston) Residents Management Company Limited

Buckton Place (Leiston) Residents Management Company Limited

Bugbrooke Road (Kislingbury) Management Company Limited<sup>10</sup>

Burfield Valley Estate Management Limited<sup>11</sup>

Buttercup Leys (Boulton Moor) Residential Management Company Limited

Buzzard Meadows (Leighton Buzzard) Residents Management Company Limited<sup>12</sup>

Canalside (Burton Upon Trent) Residential Management Company Limited

Canonbury Rise (Berkeley) Management Company Limited

Carleton Meadows Management Company Limited

Carn Y Cefn RMC Ltd<sup>13</sup>

Carpenters Field (Denmead) Management Company Limited

Castellum Grange (Colchester) Residents Management Company Limited

Castle Hill (Cottingham) Management Company Limited

Castle Park (West Durrington) Management Company Limited

Castle View (Netherton) Management Company Limited

Castlemead (953) Trowbridge Management Company Limited

Castlemead (Persimmon 950) Town Trowbridge Limited

Castlemead (Persimmon 964) Town Trowbridge Limited

Castleton Court (Haverfordwest) Management Company Limited<sup>7</sup>

Castleton Grange (Eye) Residents Management Company Limited

Cathedral Court (Salisbury) Management Company Limited

Cathedral Gate (Salisbury) No.2 Management Company Limited<sup>7</sup>

Cathedral View (Durham) Management Company Limited

Cayton Meadows (Scarborough) Management Company Limited

Central Square (Stroud) Management Company Limited<sup>7</sup>

Century Rise (Emersons Green) Management Company Limited

Chancery Park (Exning) Residents Management Company Limited

Charlton Place (Keynsham) Management Company Limited

Chaucers Meadow (North Petherton) Management Company Limited

Chilmark Glade Management Company Limited

Chorley G 1 Management Company Limited<sup>9</sup>

Chosen View (No. 2) Management Company Limited<sup>7</sup>

Church Lane (Deal) Residents Management Company Limited

Clarence Place (Bracknell) Residents Management Company Limited

Cloatley Crescent Management Company Limited

Clos Ty Gwyn (Hendy) Management Company Limited

Clover Chase (Lingwood) Residents Management Company Limited

Coastal Dunes (Lytham St Annes) Management Company Limited

Coatham Vale And Berrymead Gardens Residents Management Company Limited<sup>14</sup>

Coed Darcy (Llandarcy) Management Company Limited

College Park (Thurston) Residents Management Company Limited

Colliers Walk (Nottingham) Management Company Limited<sup>9</sup>

Colonial Wharf (Chatham) Residents Management Company Limited

Constable Vale (Hadleigh) Residents Management Company Limited

Coopers Grange (Bishops Stortford) Resident Management Company Ltd<sup>9</sup>

Copperfield Place (Chelmsford) Residents Management Company Limited

Copperfield Truro Management Company Limited

Coquet Grange (Amble) Management Company Limited<sup>14</sup>

Corelli Sherborne Management Company Limited

Cote Farm (Thackley) Management Company Limited

Coton Park (Rugby) Management Company Limited

Cotswold Vale (Long Marston) Management Company Limited<sup>1</sup>

Coverdale Paignton Management Company Limited<sup>1</sup>

Cricketers Green (Forton) Residents Management Company Limited

Crofton Walk (Fair Oak) Management Company Limited

Cromwell Gardens (Huntingdon) Residents Management Company Limited

Cromwell Place (Little Dunmow) Residents Management Company Limited

Crosland Road (Lindley) Management Limited<sup>15</sup>

Cross Quays (Westwood) Management Company Limited

Cross Quays Phase 2 (Thanet) Residents Management Company Limited

Cumnor Hill Management Company Limited

Cwrt Y Llwyfen (Johnstown) Management Company Limited

Cygnat Grange (Swanmore) Residents Management Company Limited

Daisy Hill (Morley) Management Company Limited

Daisy's View (Burbage) Management Company Limited

Dan Y Bryn Management Company Limited

Dartford Bow Arrow (Management Company) Limited<sup>16</sup>

De Vere Grove (Colchester) Residents Management Company Limited

Deerwood Park (Colne) Management Company Limited

Dol Yr Ysgol (Bridgend) Management Company Limited

Douglas Gardens (Hesketh) Management Company Ltd<sup>9</sup>

Downs View (Swanley) Residents Management Company Limited

Dukes Meadow (Tangmere) Management Company Limited<sup>7</sup>

D'urton Heights (Preston) Management Company Limited

Earlesmead (Framingham Earl) Residents Management Company Limited

East Benton Rise (Benton) Management Company Limited

Eclipse House (Andover) Management Company Limited



### 33 Details of all subsidiary undertakings

continued

#### Resident Management Companies continued

Company name continued

Edinburgh Park (Liverpool) Management Company Limited<sup>9</sup>

Elkas Rise (Ilkeston) Management Company Limited

Ellesmere Park (The Oaks) Management Company Limited<sup>6</sup>

Ellis Mews (Micheldever) Management Company Limited<sup>11</sup>

Elm Farm (Wymondham) Residents Management Company Limited

Elm Rise (Birtley) Residents Management Company Limited

Emily Fields (Swansea) Management Company Limited

Eton Place (Bracknell) Management Company Limited

Eve Parc (Falmouth) Management Company Limited

Everingham Place (Cantley) Residents Management Company Limited

Fair Mile Rise (Blandford St Mary) Management Company Limited

Fairfax Mews Crediton Management Company Limited<sup>1</sup>

Fairmoor (Morpeth) Management Company Limited

Fairways (Retford) Management Company Limited

Fallow (Benton) Residents Management Company Limited

Farley Fields South Petherton Management Company Limited<sup>1</sup>

Fatherford View (Okehampton) Management Company Limited

Festival Park (Easton) Residents Management Company Limited

Fiddington Fields (Tewkesbury) Management Company Limited

Field Place (Faversham) Management Company Limited<sup>16</sup>

Fishpool Hill Bristol Management Company Limited

Fleckney Road Management Company Limited

Flint Grange (Clacton) Residents Management Company Limited

Foley Gardens (Newent) Residential Management Company Limited<sup>1</sup>

Folly Grove (Hockley) Residents Management Company Limited

Forest View (Calverton) Management Company Limited

Forge Wood (Crawley) Management Company Limited<sup>17</sup>

Foundry Meadows (Bexhill) Residents Management Company Limited

Foxes Chase (Anlaby) Residents Management Company Limited

Foxfields (Stoke-on-Trent) Management Company Limited<sup>7</sup>

Foxley Park (Dereham) Residents Management Company Limited

Garden Valley (Aylesham) Residents Management Company Limited<sup>11</sup>

Garendon Park Residents Management Company Ltd

George Ward Gardens (Melksham) Management Company Limited

Germany Beck (Fulford) Management Company Limited

Gilden Park (Old Harlow) Resident Management Company Limited<sup>9</sup>

Gipping Mill (Great Blakenham) Residents Management Company Limited

Glan Yr Afon (Swansea) Management Company Limited

Golwg Y Glyn (Fforest) Management Company Limited<sup>7</sup>

Gotherington Grange Resident Management Company Limited

Grange Paddocks (Stanway) Residents Management Company Limited

Grangewood Park (Burnham on Crouch) Residents Management Company Limited

Grayling Gate (Ringmer) Management Company Limited

Grays Court (Orpington) Residents Management Company Limited<sup>11</sup>

Great Western Park (Didcot) No 1 Management Company Limited

Great Western Park (Didcot) No 2 Management Company Limited

Great Western Park (Didcot) No 3 Management Company Limited

Great Woodcote Park Exeter Management Company Limited

Greenacres (Easington) Management Company Limited

Greenfields (Narberth) Management Company Limited

Greenwood Place (Chinnor) Management Company Limited<sup>2</sup>

Greetwell Fields (Lincoln) Residents Management Company Limited

Griffin Wharf (Ipswich) Residents Management Company Limited

Grove Street (Raunds) Residents Management Company Limited

Hailes Wood (Elsenham) Residents Management Company Limited

Hamilton Gate (Frinton) Residents Management Company Limited

Hampton Gardens Phase 3 (Peterborough) Residents Management Company Ltd

Hampton Park (Littlehampton) Residents Management Company Limited

Hansons Reach (Stewartby) Residents Management Company Limited

Hanwell Chase (Banbury) Residents Management Company Limited

Harbourside View (Portchester) Management Company Limited

Harbury Lane (Warwick) Management Company Limited

Hardings Wood (Kidsgrove) Residents Management Company Limited<sup>6</sup>

Harebell Meadows and Hartburn Grange Residents Management Company Limited<sup>6</sup>

Harford Mews Ivybridge Management Company Limited<sup>1</sup>

Harlands Park (Uckfield) Residents Management Company Limited

Harlow Fields (Mackworth) Residential Management Company Limited

Harlow Hill Grange (Harrogate) Management Company Limited

Harpur Hill (Buxton) Residents Management Company Limited<sup>6</sup>

Harrow View West (Harrow) Residents Management Company Limited

Hartley Grange (Whittlesey) Residents Management Company Limited

Hartnells Farm Management Company Limited

Hastings Place (Bentley) Management Company Limited

Hatchwood Mill (Winnersh) Management Company Limited

Hathern Road (Shepshed) Management Company Limited<sup>1</sup>

Hauxley Grange (Amble) Residents Management Company Limited

Hawthorn Chase (Aston Clinton) Residents Management Company Limited

Hawthorn Park (Leominster) Management Company Limited

Hawthorne Farm (Clitheroe) Management Company Limited<sup>6</sup>

Haybridge (Wells) Management Company Limited<sup>7</sup>

Haywards Gardens (Kegworth) Man Co. Limited<sup>18</sup>

Haywood Heights (Writhlington) Management Company Limited



## Notes to the financial statements continued

For the year ended 31 December 2024

### 33 Details of all subsidiary undertakings continued

#### Resident Management Companies continued

##### Company name continued

Hazel Brook Management Company Limited<sup>19</sup>

Hazelmere (Flockton) Management Company Limited

Heathfield Gardens (Phase 7) Management Company Limited

Heathpark Wood (Windlesham) Management Company Limited

Hellingly 415 Residents Management Company Limited

Hellingly 416 Management Company Limited

Hellingly 418 Management Company Limited

Hepburn Chase Management Company Limited<sup>1</sup>

Heritage Gate (Llantwit Major) Residents Management Company Limited

Heritage Green (Newbottle) Management Company Limited<sup>20</sup>

Heritage Park (Shinfield) Residents Management Company Limited

Heritage Park (Sutton Courtenay) Residents Management Company Limited

Herne Vale Ilminster Management Company Limited

Hérons Park (Angmering) Management Co Ltd

Herrington Grange (Philadelphia) Management Company Limited

Hethersett Residents Management Company Limited<sup>9</sup>

Heugh Hall (Coxhoe) Residents Management Company Limited

Higham Lane Management Company Limited

Highfield Farm (West Melton) Residents Management Company Limited

Highland Park Estate Management Company Limited<sup>\*21</sup>

Hill Barton Vale Exeter Management Company Limited

Hill Barton Vale Flats Exeter Management Company Limited

Hillfield Meadows (Sunderland) Management Company Limited

Hillies View (Wombwell) Management Company Limited

Holdingham Grange (Sleaford) Residents Management Company Limited

Holly Fields (Birmingham) Management Company Limited

Homington Avenue (Swindon) Local Centre Management Company Limited

Honours Meadow (Rendlesham) Residents Management Company Limited

Horseshoe Meadows (Westbury) Management Company Limited

HRC (Ware) Residents Management Company Limited

Hunters Edge (Eaglescliffe) Residents Management Company Limited

Hurdle Court (Andover) Management Company Limited

Hydro (St Neots) Number One Management Company Limited

Imperial Park (Bristol) Management Company Limited<sup>1</sup>

Ingleby (Barwick) Management Company Limited

Inglewood (Paignton) Management Company Limited

Iwade Meadows (Iwade) Management Company Limited

Iwade Meadows (Yalding Apartments Plots 74-79) Management Company Limited

James Avenue (Calne) Management Company Ltd<sup>22</sup>

Jasmine Gardens Management Company Limited

Jubilee Gardens (Warminster) Management Company Ltd

Jubilee Rise (Shepshed) Management Company Limited

Kenilworth Gate Management Company Limited

Kennedy Place (Ulverston) Management Company Limited

Kings Grove Cranbrook Management Company Limited

Kingsbridge Court (Gorseinon) Management Company Limited

Kingsbridge Fields Management Company Limited<sup>7</sup>

Kingsbury Gardens (St Albans) Residents Management Company Limited

Kingsbury Meadows (Wakefield) Management Company Limited

Kingsgate (Northallerton) Residents Management Company Limited

Kingsley Mews Management Company Limited

Kingsmead (Gloucester) Management Company Limited

Knights Court (Old Sarum) Management Company Limited

Knightswood Place (Rainham) Residents Management Company Limited

Ladgate Woods (Middlesbrough) Management Company Limited

Lakedale Whiteley Meadows (North Whiteley) Management Company Limited

Lakeside Edge (Peterborough) Residents Management Company Limited

Lambourn Meadow (Thatcham) Management Company Limited

Laneside (Morley) Residents Management Company Limited

Langford Bridge (Newton Abbot) Residents Management Company Limited

Larkbear Management Company Limited<sup>7</sup>

Lauder Mews Crediton Management Company Limited

Launds Field (Galgate) Management Company Limited

Laureate Heights Sidmouth Management Company Limited

Lavender Fields (South Wootton) Residents Management Company Ltd

Liberty Gate (Lakenheath) Residents Management Company Limited

Lime Tree Court Derby Management Company Limited

Limes Place (Upper Harbledown) Residents Management Company Limited

Lindale Park (Alverthorpe) Management Company Limited

Lindley Moor Meadows (Huddersfield) Management Company Limited

Lingfield Meadows (Houghton) Management Company Limited

Llanilid Management Company Limited

Llanilltern Apartments RMC Ltd<sup>13</sup>

Llanilltern Village RMC Ltd<sup>13</sup>

Llys Ystrad (Bridgend) Management Company Limited<sup>22</sup>

Lodmoor Sands (Weymouth) Management Company Limited<sup>7</sup>

Longbridge Place (Longbridge) Management Company Limited

Longlease Management Company Limited

Low Moor Meadows (Morley) Management Company Limited

Low Street (Sherburn in Elmet) Management Company Limited<sup>20</sup>

Lowen Bre Truro Management Company Limited

Lucknam Crescent (Swindon) Management Company Limited

Lythalls Lane (Coventry) Management Company Limited<sup>1</sup>





### 33 Details of all subsidiary undertakings

continued

#### Resident Management Companies continued

Company name continued

Maes Dyfed Management Company Limited

Maes Y Parc (Cross Hands) Management Company Limited

Maes Y Rhos (Ystradgynlais) Management Company Limited

Maiden Vale (Ryhope) Management Company Limited

Malt House Meadows (West Sompting) Residents Management Company Limited

Malvern Rise (Malvern) Management Company Limited

Malvern Vale (Malvern) Management Company Limited<sup>1</sup>

Manor Farm (Doncaster) Management Company Limited

Manor Farm (Micklefield) Management Company Limited

Manor Gardens (Selsey) Management Company Limited

Manor Park Residents Company Ltd<sup>19</sup>

Manor Park Sprowston Residents Management Company Limited<sup>9</sup>

Manor Place (Maidenhead) Residents Management Company Limited

Maple (129) Limited<sup>23</sup>

Maple (221) Limited<sup>7</sup>

Mariners Walk (Swansea) Apartment Management Company Limited\*

Mariners Walk (Swansea) Management Company Limited\*

Marshfoot Lane (Hailsham) Residents Management Company Limited

Martello Park (Pembroke) Management Company Limited

Martineau Gardens Harborne Management Company Limited<sup>1</sup>

Mascalls Grange (Paddock Wood) Residents Management Company Limited

Meadow View (Oundle) Management Company Limited

Meadow View (Redditch) Resident Management Company Limited<sup>1</sup>

Mendip Chase Management Company Limited<sup>7</sup>

Meon Way Gardens Management Company Limited<sup>1</sup>

Merchants Walk Cullompton No 2 Management Company Limited

Mercians Place Management Company Limited<sup>1</sup>

Meridian Place (Hertford) Residents Management Company Ltd

Merlins Lane (Scarrowscant) Management Company Limited

Mersey View (Bromborough Pool) Management Company Limited<sup>4</sup>

Mill Cross (Pevensey) Management Company Limited

Mill Gardens (Cullompton) Management Company Limited

Mill Valley (Pevensey) Residents Management Company Limited

Mill View (Willingdon) Management Company Limited

Millbeck Grange (Bowburn) Management Company Limited

Millennium Farm (New Waltham) Management Company Limited

Monkswood (Sacriston) Management Company Limited

Montfort Place (Odiham) Management Company Limited<sup>9</sup>

Montgomery Place (Frome) Management Company Ltd

Moorfield (Easington) Management Company Limited

Moorfield Park Management Company Limited<sup>9</sup>

Moorlands Walk (Sherburn) Management Company Limited

Mown Meadows (Crook) Residents Management Company Limited

Mulberry Grange (Castleford) Management Company Limited

Mulberry Grove (St Fagans Cardiff) Management Company Limited

Nelson's Park (North Walsham) Residents Management Company Limited

NGP Management Company (Cell A) Limited<sup>\*24</sup>

NGP Management Company (Cell D) Limited<sup>\*24</sup>

NGP Management Company (Cell E) Limited<sup>\*24</sup>

NGP Management Company (Cell F) Limited<sup>\*24</sup>

NGP Management Company (Commercial) Limited<sup>\*24</sup>

NGP Management Company (Town Centre) Limited<sup>\*24</sup>

NGP Management Company Residential (Cell G) Limited<sup>\*24</sup>

Norton Hall Meadow Management Limited<sup>9</sup>

Oak Heights (Northiam) Residents Management Company Limited<sup>11</sup>

Oak Tree Gardens (Audley) Management Company Limited<sup>15</sup>

Oakcroft Chase (Stubbington) Management Company Limited

Oakhurst Village (Shirley) Management Company Limited

Oakland Gardens (Wiltorpe) Management Company Limited

Oakley Grange & Eden Villas (Cheltenham) Management Company Limited<sup>1</sup>

Oakwood Meadows Phase 4 (Stanway) Residents Management Company Limited

Oakwood Park (Wymondham) Residents Management Company Limited

Oakwood View (Brackla) Management Company Limited

Oakwood View (Weston-Super-Mare) Management Company Limited

Oast Court Farm Management Company Limited<sup>25</sup>

Orchard Croft (Diss) Residents Management Company Limited

Orchard Grove (Coxheath) Residents Management Company Ltd

Orchard Leaze Management Company Limited<sup>19</sup>

Orchard Manor (Cheddington) Residents Management Company Limited

Orchard Meadows (Iwade) Residents Management Company Limited

Orchard Mews Pershore Management Company Limited<sup>1</sup>

Otterham Park (Rainham) Residents Management Company Limited

Oundle Walk (Oundle) Residents Management Company Limited<sup>6</sup>

Oxley Springs (Milton Keynes) Management Company Limited

Oxley Springs 8B (Milton Keynes) Management Company Limited

P6 Wellington Gate (Grove) Management Company Limited

Paddocks 21 (Andover) Management Company Limited

Palmerston Heights Plymouth Management Company Limited

Paragon Park (Coventry) Management Company Limited

Parc Brynderi (Llanelli) Management Company Limited

Parc Y Fron (Carmarthen) Limited

Parc Yr Onnen (The Limes) Management Company Limited

Park Farm (South East) Management Company Limited<sup>26</sup>

Parklands (Hessle) Residents Management Company Limited



## Notes to the financial statements continued

For the year ended 31 December 2024

### 33 Details of all subsidiary undertakings continued

#### Resident Management Companies continued

##### Company name continued

Parrett Gardens (Langport) Management Company Limited

Pavilion Gardens (Monkton Heathfield) Management Company Limited

Pedlars Meadow (Swaffham) Residents Management Company Limited

Pembridge Court (Cleghonger) Residents Management Company Limited<sup>1</sup>

Penny Pot Lane (Harrogate) Management Company Limited<sup>14</sup>

Perry Park View (Perry Barr) Management Company Limited<sup>1</sup>

Persimmon Gardens (Hindley) Management Company Limited<sup>6</sup>

Persimmon Gardens (Martham) Residents Management Company Limited

Persimmon Grange Framlingham Residents Management Company Limited

Persimmon Homes The Oaks (Selly Oak) Management Company Limited<sup>1</sup>

Phoenix Wharf (West Bromwich) Management Company Limited<sup>1</sup>

Picket 20 Management Company Limited

Picket Twenty Two (Andover) Management Company Limited

Pinewood Grange (Castleford) Management Company Limited

Port Marine Management Limited<sup>27</sup>

Porth Y Dyffryn (Merthyr Tydfil) Residents Management Company Limited

Portland Park (Ashington) Management Company Limited

Pottery Gardens (Cheadle) Residents Management Company Limited<sup>6</sup>

Priory Green (Chilton Polden) Management Company Limited<sup>1</sup>

Priory Meadows (Bodmin) Management Company Limited

Quantock View Management Company Limited

Quinta Mews Management Company Limited<sup>28</sup>

Rackheath Residents Management Company Limited

Rainton Gardens (Chilton Moor) Management Company Limited

Rainton Meadows (Chilton Moor) Management Company Limited<sup>20</sup>

Ramsdell (Ashford Hill) Management Company Limited

Rectory Lane (Standish) Management Company Limited

Redhayes Management Company Limited<sup>29</sup>

Redland Grange (Cottenham) Residents Management Company Limited

Regency Grange (Forest Town) Management Company Limited

Regent Park (Calne) Management Company Limited

Regents Place (Chellaston) Management Company Limited<sup>1</sup>

Regents Village, Cheltenham Management Company Limited<sup>6</sup>

Repton Park 18 (Ashford) Residents Management Company Limited

Repton Park 19-23 (Ashford) Residents Management Company Limited

Repton Park 8 & 10 (Ashford) Residents Management Company Ltd

Ridge Walk, Whiteley Meadows (North Whiteley) Management Company Limited

Rivendell (Gedling) Management Company Limited

Riverbourne Fields Management Company Limited

Rose Manor (Hadleigh) Residents Management Company Limited

Salterns (Terrington) Residents Management Company Limited

Saltram Meadow Plymouth Management Company Limited

Samford Gardens (Capel St Mary) Residents Management Company Limited

Sandfield Walk (Nottingham) Management Company Limited

Sandgate Drive (Kippax) Management Company Limited

Sandpipers (Minster) Residents Management Company Limited

Saxon Fields (Bridgwater) Management Company Limited

Saxon Grange (Shaftesbury) Management Company Limited

Saxon Grove (Purton) Management Company Limited

Saxon Meadow (Sutton on Trent) Residents Management Company Limited

Saxons Chase (Headcorn) Residents Management Company Limited

Scarlett Mews (Tiptree) Residents Management Company Limited

Scholar's Green (Northampton) Residents Management Company Limited<sup>30</sup>

Seaside Lane (Easington) Management Company Limited

Seaton Vale (Ashington) Residents Management Company Limited

Sharpes Meadow (Heybridge) Residents Management Company Limited

Sherborne Fields (Basingstoke) Management Limited

Sherborne Fields Apartments PH6 (Basingstoke) Management Company Limited

Shilton Place (Coventry) Management Company Ltd<sup>31</sup>

Shirewood (Beighton Road) Management Company Limited

Silver Hill (Preston) Management Company Limited

Silverwood (Garforth) Management Company Limited

Solway View (Workington) Management Company Limited

Sovereign Quarter (Gillingham) Management Company Limited

Speckled Wood (Carlisle) Management Company Limited

Spring Meadows (Darwen) Management Company Limited<sup>9</sup>

St Andrews (Uxbridge) Management Company Limited<sup>1</sup>

St Andrews Park (Phase 3C Uxbridge) Management Company Limited<sup>32</sup>

St Andrews Park (Vine Lane 1A) Management Company Limited<sup>1</sup>

St Andrews Park (Vine Lane 2A) Management Company Limited<sup>1</sup>

St Andrews Park 2B/3A (Churchill Road, Uxbridge) Management Company Limited<sup>1</sup>

St Andrews Park 3B (Uxbridge) Management Company Limited<sup>1</sup>

St Andrews Ridge (Swindon) Management Company Limited

St Dunstons Place (Burbage) Management Company Limited

St Edeyrns Apartments (Cardiff) RMC Limited

St Edeyrns Village (Cardiff) Residents Management Company Limited

St Edmunds (Frome) Management Company Limited

St George (Lancaster) Management Company Limited

St Georges Keep Management Company Limited

St James Park (Bramley) Residents Management Company Limited

St Johns (Lichfield) Management Company Limited

St Michaels Place (Colchester) Residents Management Company Limited

St Michaels Way (South Ryhope) Residents Management Company Limited



### 33 Details of all subsidiary undertakings

continued

#### Resident Management Companies continued

Company name continued

St Oswalds Park (Gloucester) Management Company Limited<sup>1</sup>

St Peters Place (Salisbury) Management Company Limited

Stanbridge Meadows (Petersfield) Management Company Limited

Stanford Meadows (Stanford-le-Hope) Residents Management Company Limited

Stanton Chase (Swindon) Management Company Limited

Staynor Hall 4 (Selby) Residents Management Company Limited

Staynor Hall K (Selby) Management Company Limited

Stephenson Park (Wallsend) Residents Management Company Limited

Stortford Fields (Bishops Stortford) (Persimmon) Resident Management Company Limited

Strawberry Fields Penryn Management Company Limited

Stream View Management Limited<sup>28</sup>

Swan Park (Dawlish) Management Company Limited

Sycamore Gardens (Oakdale) RMC Ltd<sup>33</sup>

Sycamore Rise (Thame) Residents Management Company Limited

Tanners Meadow (Strood Green) Management Company Limited<sup>2</sup>

Tarraby View (Carlisle) Management Company Limited

Teasdale Place (Carlisle) Management Company Limited

Temple Gate (Burgess Hill) Resident Management Co Ltd

The Acorns (Shirley) Management Company Limited<sup>1</sup>

The Alders (Gilwern) Residents Management Company Limited

The Blossoms (Blackburn) Management Company Limited<sup>9</sup>

The Boulevards (East Tilbury) Residents Management Company Limited

The Boulevards (Newport) Residents Management Company Limited

The Bridge (Dartford) 29 and 31A Residents Management Company Limited

The Bridles (Ffos Las) Management Company Limited<sup>13</sup>

The Carriages (Burscough) Management Company Limited

The Copse (Bridgwater) Management Company Limited<sup>19</sup>

The Cottons (Holmes Chapel) Management Company Limited

The Croft (Burgess Hill) Residents Management Company Limited

The Edge (Hempstead) Management Limited

The Fell (Lyde Green) Management Company Limited<sup>7</sup>

The Goldings Newquay Management Company Limited

The Grange (Chalfont St Peter) Management Company Ltd

The Grange (Chepstow) Limited

The Grange (Wellesbourne) Management Company Limited<sup>1</sup>

The Hamptons (Newcastle) Resident Management Company Limited<sup>6</sup>

The Haven (Swansea) Management Company Limited

The Hawthorns (Market Harborough) Management Company Limited

The Heath (Sandbach) Management Company Ltd<sup>9</sup>

The Hedgerows (Alsager) Management Company Ltd<sup>6</sup>

The Heights (Newark) Residents Management Company Limited

The Lancasters (Cambridge) Residents Management Company Limited

The Landings (Waddington) Residents Management Company Limited

The Links (Machynys East) Management Company Limited<sup>7</sup>

The Maples (Cressing) Residents Management Company Limited

The Maples (NGP) Management Company Limited

The Maples (Weston) Residents Management Company Limited

The Mile (Pocklington) Management Company Limited

The Oaklands (NGP) Residents Management Company Limited

The Paddocks (Aintree) Management Company Limited<sup>6</sup>

The Paddocks (Farcet) Residents Management Company Limited

The Paddocks (Highworth) Management Company Limited<sup>6</sup>

The Pastures (Lowton) Management Company Limited<sup>6</sup>

The Pavilion (Mansfield) Residents Management Company Limited

The Pinnacles Management Company (Thamesmead) Limited

The Poppies (Harleston) Management Company Limited

The Poppies Management Company Limited

The Quadrant (Whitney Crescent) Management Limited<sup>19</sup>

The Reeds Lower Halstow Management Ltd<sup>28</sup>

The Rosary (Emersons Green) Management Company Limited

The Rydons Exeter Number Two Management Company Limited

The Sands (Durham) Management Company Limited

The Shires (Oswaldtwistle) Management Company Ltd<sup>9</sup>

The Swallows Management Company Limited<sup>19</sup>

The View (Redditch) Management Company Limited<sup>1</sup>

The Weald (Easingwold) Management Company Limited

The Wickets (Penenden Heath) Residents Management Company Limited

The Willows (Downham Market) Residents Management Company Limited

The Willows Earlestown (Newton le Willows) Management Company Limited<sup>4</sup>

The Windmills (Kirton) Residents Management Company Limited

Thonock Green (Gainsborough) Management Company Limited

Thornley Woods (Gateshead) Management Company Limited

Tilbury Fields (Oxford) Management Company Limited<sup>9</sup>

Tir Y Bont (Bridgend) Management Company Limited

Towcester Grange (Apartments) Residents Management Company Limited

Towcester Grange (Towcester) Residents Management Company Limited<sup>18</sup>

Trehenlis Gardens (Helston) Management Company Limited

Trelawny Place (Felixstowe) Residents Management Company Limited

Trevelyan Grange (Morpeth) Residents Management Company Limited

Trevethan Meadows Liskeard Management Company Limited

Trevithick Manor Park (Newquay) Management Company Limited

Trinity Fields (Clacton) Residents Management Company Limited

Trinity Pastures (Calvert Lane Hull) Residents Management Company Limited



## Notes to the financial statements continued

For the year ended 31 December 2024

### 33 Details of all subsidiary undertakings continued

#### Resident Management Companies continued

##### Company name continued

Tundra Point (Emersons Green) Management Company Limited

Valley Heights (Frome) Management Company Limited<sup>1</sup>

Valley Park (Didcot) Management Company Ltd<sup>6</sup>

Village Mews (Southowram) Management Company Limited

Walmsley Park (Leigh) Management Company Ltd<sup>6</sup>

Watercress Way Management Company Limited<sup>28</sup>

Waterfield Place (Market Harborough) Residential Management Company Limited

Waters Edge (Buckshaw) Management Company Limited

Waterside at the Bridge Management Company Limited

Watling Place (Newington) Residents Management Company Ltd

Weavers Meadow Estates Management Company Limited

Weavers Meadow Phase 2 (Hadleigh) Residents Management Company Limited

Weavers Place (Skelmanthorpe) Management Company Limited

Weavers View (Plesley Hill) Residents Management Company Limited

Weavers Wharf Apartments (Coventry) Management Company Limited

Wellington Gate (Grove) Management Company Limited

Wellington Gate (Maresfield) Management Company Limited

Wellington Mount (North Quadrant) Management Company Limited

Wentworth Green Management Company Limited

West Gate House (Machynys East) Management Company Limited<sup>7</sup>

Westhaven Apartments (Barry) Residents Management Company Limited

Westhoughton (Lee Hall) Residents Management Company Limited<sup>6</sup>

Weston Park Limited

Westvale Park (Horley) Management Company Limited<sup>2</sup>

Westwood Park (Churwell) Management Company Limited

White House Farm (Emersons Green) Management Company Limited<sup>7</sup>

White Rose Park (Norwich) Residents Management Company Ltd

Whiteford Mews Management Company Limited<sup>7</sup>

Whitewood Park (Bristol) Management Company Limited

Whittington Walk (Worcester) Management Company Limited<sup>1</sup>

Whitworth Dale Management Company Limited

Willow Court (Abergavenny) RMC Limited

Willow Park (Aylsham) Management Company Limited

Windmill View (Stanground) Residents Management Company Limited

Windrush Place Witney Management Company Limited

Wombwell (Barnsley) Management Company Limited

Woodhorn Meadows (Ashington) Residents Management Company Limited

Woodland Gardens (Pyle) Management Company Limited

Woodland Rise (Great Cornard) Residents Management Company Limited

Woodlark Place (Newbury) Residents Management Company Limited

Worcester Gate (Worcester) Management Company Limited<sup>1</sup>

Wykham Park (Banbury) Management Company Ltd<sup>6</sup>

Yew Tree Farm (Droitwich) Management Company Limited<sup>1</sup>

Yew Tree Gardens (Tuffley) Management Company Limited

1. Queensway House, 11 Queensway, New Milton, Hampshire, BH25 5NR
2. Homer House, 8 Homer Road, Solihull, B91 3QQ
3. Fountain House, Southwell Road West, Mansfield, Nottinghamshire, NG18 4LE
4. Gateway House, 10 Coopers Way, Southend-on-Sea, Essex, SS2 5TE
5. Persimmon House, Birmingham Road, Studley, Warwickshire, B80 7BG
6. Unit 7, Portal Business Park, Eaton Lane, Tarporley, Cheshire, CW6 9DL
7. Fisher House, 84 Fisherton Street, Salisbury, SP2 7QY
8. 20 Station Road, Hinckley, Leicestershire, LE10 1AW
9. RMG House, Essex Road, Hoddesdon, Hertfordshire, EN11 0DR
10. Unit A5, Optimum Road, Swadlincote, Derbyshire, DE11 0WT
11. 94 Park Lane, Croydon, CR0 1JB
12. 3 Waterside Way, Northampton, NN4 7XD
13. 46 Whitchurch Road, Cardiff, CF14 3LX
14. Cheviot House, Beaminster Way East, Newcastle upon Tyne, NE3 2ER
15. North Point Stafford Drive, Battlefield Enterprise Park, Shrewsbury, Shropshire, SY1 3BF
16. Burlington House, Botleigh Grange Business Park, Hedge End, Southampton, SO30 2AF
17. Unit 8, The Forum Minerva Business Park, Peterborough, PE2 6FT
18. 2 Hills Road, Cambridge, CB2 1JP
19. Units 1, 2 & 3 Beech Court, Wokingham Road, Hurst, Reading, RG10 0RU
20. 1175 Century Way, Thorpe Park, Leeds, LS15 8ZB
21. Suite 7, Aspect House, Pattenden Lane, Marden, Kent, TN12 9QJ
22. Vantage Point, 23 Mark Road, Hemel Hempstead, Hertfordshire, HP2 7DN
23. 250 Aztec West, Almondsbury, Bristol, BS32 4TR
24. 2nd Floor Citygate, St James' Boulevard, Newcastle upon Tyne, United Kingdom, NE1 4JE
25. Acorn Estate Management, 9 St Marks Road, Bromley, BR2 9HG
26. Foundation House, Coach & Horses Passage, Tunbridge Wells, TN2 5NP
27. Castlewood Business Park, Tickenham Road, Clevedon, BS21 6FW
28. Scholars House, 60 College Road, Maidstone, Kent, ME15 6SJ
29. Woodwater House, Pynes Hill, Exeter, Devon, EX2 5WR
30. A5 Optimum Business Park, Optimum Road, Swadlincote, DE11 0WT
31. 1st Floor, Lancaster House, 67 Newhall Street, Birmingham, B3 1NQ
32. The Charter Building, Charter Place, Uxbridge, UB8 1JG
33. 46 Whitchurch Road, Cardiff, CF14 3LX

\* Private limited company



## Other information

### Shareholder information

#### Band analysis as at 31 December 2024

Size of shareholding	Number of shareholders	% of shareholders	Number of shares	% of shares
1–5,000	6,089	87.06	3,673,804	1.60
5,001–50,000	520	7.43	8,949,884	4.11
50,001–250,000	227	3.25	26,391,368	10.89
250,001–999,999,999	158	2.26	280,899,812	83.40
<b>Total</b>	<b>6,994</b>	<b>100.00</b>	<b>319,914,868</b>	<b>100.00</b>

#### Share price – year ended 31 December 2024

Price at 31 December 2024	1,198p
Lowest for year	1,177.5p
Highest for year	1,720p

The above share prices are the closing share prices as derived from the London Stock Exchange Daily Official List.

#### Financial calendar 2025

Annual General Meeting	1 May 2025
Trading Update	1 May 2025
Ex-Dividend Date of 40p final dividend	19 June 2025
Record Date of 40p final dividend	20 June 2025
Payment of final dividend of 40p	11 July 2025
Announcement of Half-Year Results	13 August 2025
Trading Update	5 November 2025

### Five-Year Record

	2024	2023	2022	2021	2020
Unit sales	<b>10,664</b>	9,922	14,868	14,551	13,575
Housing revenue	<b>£2,863.6m</b>	£2,537.6m	£3,696.4m	£3,449.7m	£3,129.5m
Average selling price	<b>£268,499</b>	£255,752	£248,616	£237,078	£230,534
Profit from operations	<b>£405.2m</b>	£354.5m	£1,006.5m	£966.7m	£862.8m
Profit before tax	<b>£395.1m</b>	£359.4m	£1,012.3m	£973.0m	£863.1m
Basic earnings per share	<b>92.1p</b>	82.4p	247.3p	248.7p	220.7p
Diluted earnings per share	<b>91.1p</b>	81.9p	245.3p	247.6p	219.9p
Cash return/dividend per share	<b>60.0p</b>	80.0p	235.0p	235.0p	110.0p
Net assets per share	<b>1,096.1p</b>	1,070.2p	1,077.0p	1,135.7p	1,102.7p
Total shareholders' equity	<b>£3,506.6m</b>	£3,418.5m	£3,439.3m	£3,625.2m	£3,518.4m
Return on capital employed	<b>11.1%</b>	10.5%	30.4%	35.8%	29.4%

All figures stated before exceptional items, goodwill amortisation/impairment, legacy buildings provision and includes land creditors where applicable.



## Other information continued

### Directors

**Roger Devlin**

Chairman

**Dean Finch**

Group Chief Executive

**Andrew Duxbury**

Chief Financial Officer

**Nigel Mills**

Senior Independent Director

**Annemarie Durbin**

Non-Executive Director

**Andrew Wyllie CBE**

Non-Executive Director

**Alexandra Depledge**

Non-Executive Director

**Colette O'Shea**

Non-Executive Director

**Paula Bell**

Non-Executive Director

**Anand Aithal**

Non-Executive Director

### Life President

Duncan Davidson founded Persimmon in 1972. The Company floated on the London Stock Exchange in 1985 and became the first pure housebuilder to enter the FTSE 100 in December 2005. Mr Davidson retired as Chairman in April 2006 and assumed the role of Life President.

### Company information

**Company Secretary**

Tracy Davison

**Registered office**

Persimmon House  
Fulford, York YO19 4FE  
Telephone: 01904 642199

**Company number**

1818486  
Incorporated in England

**Auditor**

Ernst & Young LLP

**Bankers**

The Royal Bank of Scotland plc  
Lloyds Banking Group plc  
Barclays Bank PLC  
HSBC plc  
Handelsbanken plc  
Santander BANCO S.A.  
Investec Bank Plc

**Financial PR Consultants**

Teneo  
The Carter Building, 11 Pilgrim Street  
London EC4V 6RN  
Telephone: 020 7353 4200  
Email: persimmon@teneo.com

**Registrars**

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ  
Telephone 0370 7030178  
[www.investorcentre.co.uk](http://www.investorcentre.co.uk)





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