

Together,  
we create  
sustainable  
living



## Introduction

At Genuit Group, we help create a better, more sustainable built environment by developing and producing sustainable solutions for the key challenges faced in water, climate and ventilation management.



CEO's Review – page 10



Strategy – page 4



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Collaborating within the Group and with our valued customers and partners

# Together, we create sustainable living

Innovating to actively make the built environment a more sustainable place



Making people's lives better by future-proofing places to help mitigate and adapt to the effects of climate change



## Together

We leverage the collective strength of our Group by collaborating across teams, brands and businesses to achieve optimal outcomes. By drawing on our shared expertise, we provide high-quality results for our customers.

To achieve this, we must deepen our understanding of our customers, recognising their current requirements and anticipating their future needs. This includes developing products and services that enable their success, such as solutions that advance their low-carbon ambitions, whilst creating new opportunities for growth.

For our partners, this involves understanding their priorities and meeting them consistently, ensuring that they choose to work with us, remain engaged and contribute to the expansion of our market presence over the long term, strengthening our position within the industry.

## Create

We're committed to innovation that advances sustainability across the built environment.

Our objective is not merely to follow market developments but instead provide sector leadership. We aim to establish the benchmark for sustainable solutions that transform the built environment. Every concept, product and partnership begins with a focus on delivering improved outcomes and solutions that address real climate-related challenges.

By embedding creativity and ingenuity into our activities, we're driving progress for our customers, our industry and the communities we serve.

## Sustainable living

Sustainable living is a complex and evolving challenge, yet it remains central to our purpose. At its core, it reflects our commitment to developing solutions that enhance quality of life whilst ensuring that the places in which people live, work, learn and play are resilient and able to adapt to the accelerating impacts of climate change.

To achieve this, we focus on three critical elements:

The buildings that shape the built environment

The impact that those places have on our planet

The way we live as weather patterns shift and extremes become the norm

The world is becoming hotter and wetter, and extreme weather events such as flash floods, wildfires and hurricanes are occurring with increasing frequency.

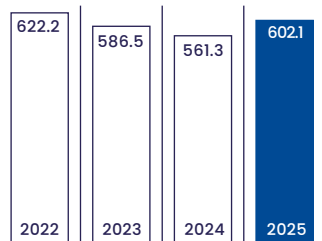
This represents a clear and urgent challenge; designing and delivering homes, workplaces and infrastructure that not only minimises environmental impact but also enables communities to adapt and thrive.

For us, sustainability is not optional, it is fundamental. It drives innovation, informs decision-making and positions us to lead the way on delivering resilient, future-ready solutions across the built environment.

## FINANCIAL HIGHLIGHTS

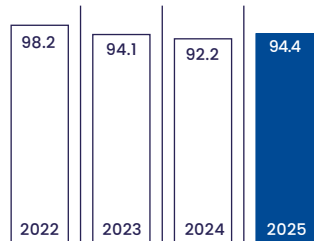
### REVENUE

**£602.1m +7.3%**



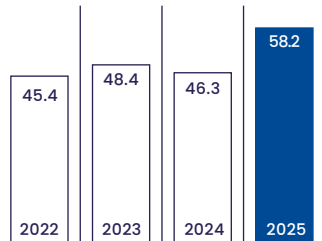
### UNDERLYING OPERATING PROFIT

**£94.4m +2.4%**



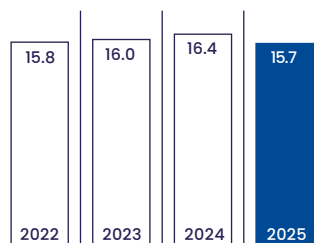
### PROFIT BEFORE TAX

**£58.2m +25.7%**



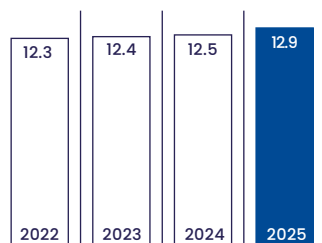
### UNDERLYING OPERATING MARGIN

**15.7% -70 bps**



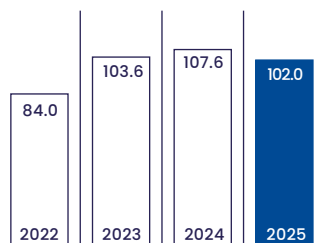
### DIVIDEND PER SHARE

**12.9p +3.2%**



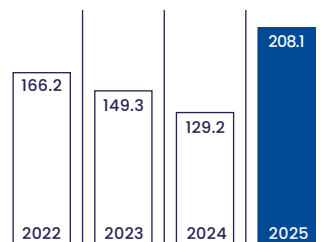
### UNDERLYING OPERATING CASH CONVERSION<sup>1</sup>

**102.0% -560 bps**



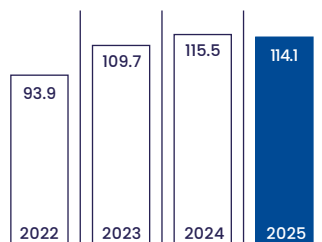
### NET DEBT

**£208.1m +61.1%**



### CASH GENERATED FROM OPERATIONS

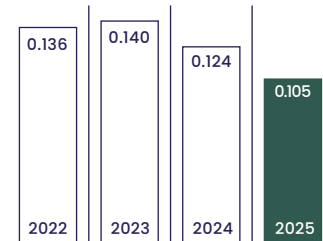
**£114.1m -1.2%**



## NON-FINANCIAL HIGHLIGHTS

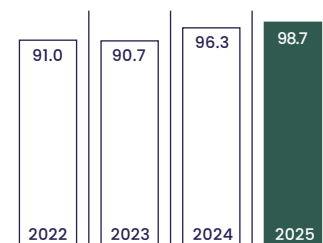
### CARBON INTENSITY

**0.105tCO<sub>2</sub>e/t**



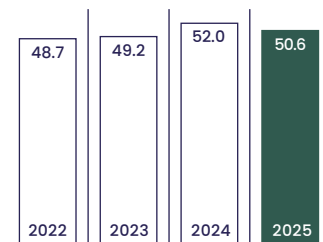
### ELECTRICITY SOURCED FROM RENEWABLE SOURCES

**98.7% +240 bps**



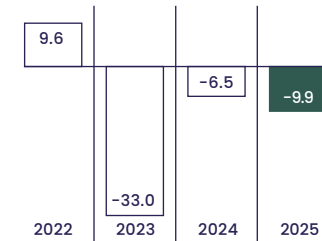
### USE OF RECYCLED POLYMERS

**50.6%<sup>2</sup> -140 bps**



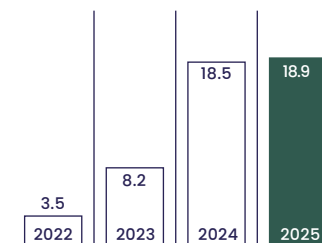
### SCOPES 1, 2 & 3: CATEGORY 1 CARBON

**-9.9% -340 bps**



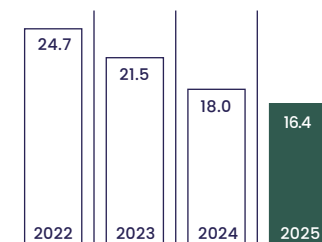
### THE 5% CLUB

**18.9% +40 bps**



### VITALITY INDEX<sup>2</sup>

**16.4% -160 bps**



<sup>1</sup> Prior periods restated to a pre-capex and lease payments basis. The Group believes that this is a more appropriate measure of cash conversion as it demonstrates the Group's working capital efficiency before capital investment, and allows for alignment with the Group's strategic investment profile in the medium term. It is defined as cash generated from operations adjusted for non-underlying cash items, divided by underlying EBITDA.

<sup>2</sup> Excludes current year acquisitions.

# Investment case

Delivering compound earnings growth through sustainability-driven growth markets, margin expansion and effective capital allocation.

## 1

### Operating in built environment sectors with inherent sustainability-linked growth drivers

- Operating in a sector with high levels of sustainability driven growth
- Helping customers to mitigate climate change and adapt to its effects
- Changing regulations provide regulatory tailwinds

**2–4%** through-cycle outperformance of the UK construction market

## 2

### Differentiated, innovative, low-carbon building products and solutions

- Meeting customers' evolving needs and helping them to deliver their sustainability targets
- Moving up the value chain by building end-to-end solutions with better cost of ownership
- Being the leader in the use of recycle amongst our European peers

**–30%** reduction in scopes 1 & 2 emissions by 2027  
net-zero by 2050

## 3

### Leading positions across diverse markets, with strong brand recognition

- A trusted partner for customers, providing a range of products and integrated solutions
- Number one or two in key market segments, with scope to take further share

**£3bn** c.20% share of a £3bn UK served addressable market

## 4

### Significant margin expansion potential

- Clear pathway to improve operating margin, through:
  - Business simplification
  - Genuit Business System (GBS) driving operational efficiency
  - Operating leverage as volumes normalise
- Driving improvement in return on invested capital

**>20%** operating margin target

## 5

### Opportunity to expand solution offering through strategic acquisitions

- Complementing organic growth with value accretive bolt-on acquisitions
- Successful mergers and acquisitions (M&A) track record, reinforced by adoption and implementation of GBS approach

**>20%** return on invested capital target

## 6

### Highly cash-generative business model, with effective capital allocation

- Successful track record of cash generation
- Progressive dividend policy, based on dividend cover of 2.0x or greater over the business cycle

**>90%** cash conversion target

# Genuit at a glance

Our purpose is delivered through our Sustainable Solutions for Growth strategy...



## Growth

We combine innovation and commercial excellence, enabling us to consistently outperform our markets.

We focus on higher-growth, sustainability-linked market segments supported by structural demand. Growth is delivered through a strong organic pipeline, alongside a disciplined, value-led approach to M&A that strengthens our portfolio and enhances scale.

## Genuit Business System

We create value through lean transformation and operational excellence.

We use the Genuit Business System (GBS) to drive operational effectiveness across the Group. Rooted in lean principles, GBS enables us to operate more efficiently and productively, supporting the delivery of our purpose and strategy while creating value for customers and stakeholders.



## Sustainability

We continually improve the sustainability of our operations to be the lowest-carbon choice for our customers.

We provide solutions that help the built environment adapt to climate change and are committed to being the lowest-carbon supplier of choice, reducing our own impact whilst enabling lower-impact outcomes for our customers.

## People and Culture

We create value and enable growth through the capability, expertise and development of our employees.

We know that our people underpin our success. By investing in capability, living our Trademark Behaviours and combining local entrepreneurialism with the benefits of scale, we foster an inclusive, collaborative, high-performance culture.



## We work together

- by understanding and respecting our unique differences
- through collaborating and supporting, to achieve more
- by recognising the efforts and contributions of others



## We take ownership

- always acting with health, safety and wellbeing in mind
- by striving for excellence in what we do
- through our commitment to doing the right thing



## We find a better way

- through using our voice and actively listening
- by positively challenging the way we do things
- by seeking the right solution

...and guided by our Trademark Behaviours...

## Business Units



### Climate Management Solutions

Addressing the need for clean, healthy air and low-carbon heating and cooling

Revenue

**£178.9m**

Underlying operating margin

**13.6%**



### Water Management Solutions

Enabling climate adaptation and resilience through integrated surface water and drainage solutions

Revenue

**£169.5m**

Underlying operating margin

**5.7%**



### Sustainable Building Solutions

Providing a range of solutions to reduce the carbon content of the built environment and assist construction labour efficiency

Revenue

**£246.8m**

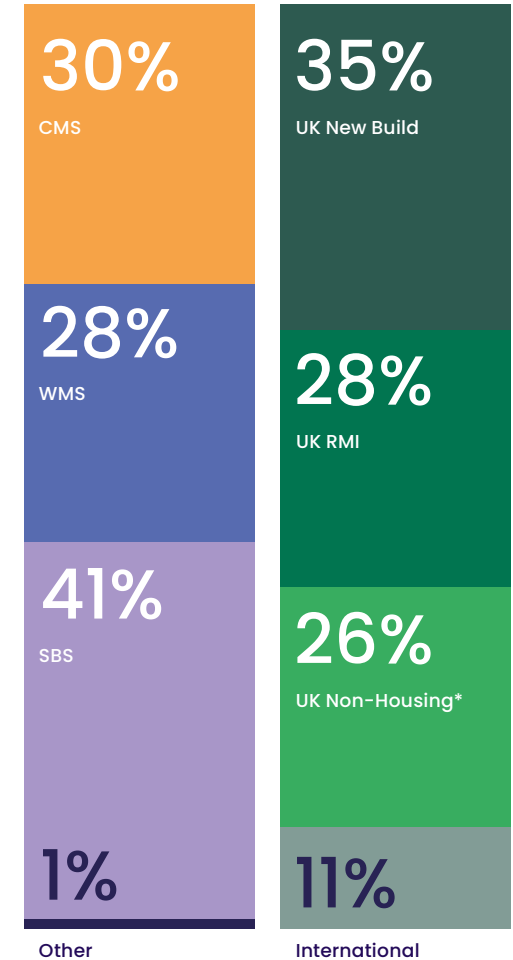
Underlying operating margin

**24.3%**

## Revenue breakdown

Revenue split by Business Unit

Revenue split by market



\* UK Non-Housing primarily consists of commercial, infrastructure, and public non-housing expenditure.

...creating a clear pathway to deliver value.

# Solid progress towards medium-term targets

12.9

Total dividend for the year (pence per share)

18.9%

UK employees in Earn and Learn programmes

Kevin Boyd  
Chair



As we navigate through an era of environmental challenges, taking action and bringing our purpose to life has never been more vital. Sustainability remains at the heart of our Group strategy, ensuring our products and services help the built environment to mitigate and adapt to the impacts of climate change, whilst providing sustainable solutions to solve the challenges our customers face.



## Introduction

2025 was a year of challenge and opportunity as we navigated a sustained downturn in our markets, with external factors continuing to impact consumer confidence. Despite these challenges, the Group delivered a solid performance for the year, highlighting the resilience of the Group's business model and Sustainable Solutions for Growth strategy, alongside our unwavering commitment to creating sustainable living. The hard work, loyalty and dedication of our colleagues across the Group has been instrumental in driving our performance, and my thanks go to all of our colleagues for their contribution in driving our progress in 2025.

The sustainable solutions we offer enable us to navigate the ongoing complex external environment effectively, positioning ourselves for future success. We continue to develop our product portfolio, which is centred around providing the built environment with sustainable products and solutions to help mitigate and manage the consequences of climate change. To support these strategic objectives, we have taken the decision to restructure the existing three Business Units into two Divisions: Water and Climate. We believe that this restructure better leverages the opportunities in each of these segments as the Group continues to grow.

Our Genuit Business System is a key enabler of our strategic objectives, and we have continued to roll out and embed the principles and tools of lean management across our businesses to drive growth, realise synergies, create value and minimise waste.

Employees at various levels have been trained in these principles and tools during the year, which has helped us to standardise our processes and share best practice amongst our businesses.

We also continued to focus on inorganic as well as organic growth, and I am delighted to welcome our new colleagues from Monodraught and the Davidson group of companies, following the acquisitions in August and September.

## Performance and results

During the year, the Group performed well, despite challenging market conditions. The Group continued to focus on business simplification and operational efficiencies, and this proactive approach resulted in full-year underlying operating profit being in line with our expectations. Group revenue was 7.3% higher than prior year, at £602.1m (2024: £561.3m). Underlying operating profit was £94.4m (2024: £92.2m), representing a margin of 15.7% (2024: 16.4%). Underlying earnings per share for the year was 26.0 pence (2024: 24.6 pence). This resilient performance, given the challenging market backdrop, is the result of the hard work and dedication of all of our colleagues around the Group. You can read more about our 2025 financial performance in our Chief Financial Officer's report on page 26 and find further detail on our strategic progress in our Chief Executive Officer's report on page 10.

## People and Culture

Our performance during the year would not be possible without the dedication and commitment of our employees, and we continue to encourage our leadership teams across the Group to promote our established Trademark Behaviours of we work together, take ownership and find a better way. The recruitment of our Chief People Officer, Edel Conway, in January 2025 and our Climate Management Solutions Managing Director, Lee Mellor, in December 2024 brings the Executive Leadership Team up to full complement, and has been a driver of the ongoing success of our people and culture strategy. We will continue to support the delivery of this strategy in 2026. Developing and building talent, along with a robust succession pipeline, is key to our continued success and to making Genuit a great place to work. As we continue to grow, it is more important than ever that we drive the right culture and behaviours from the top.

The Board monitors Group culture closely and engages regularly with employees, both formally and informally, to gauge how well our culture is embedded. This is particularly important as we continue to bring new colleagues into the Group, to ensure that they feel welcomed and understand the culture and behaviours we promote. More details on employee engagement are included in our People and Culture section on pages 65 to 75 and the Governance Report on page 107.

## Board changes

I am delighted to welcome Britta Giesen to our Board as a Non-Executive Director. Britta joined our Board in October 2025 and brings a wealth of international and commercial experience, as well as Environmental, Social and Governance (ESG) knowledge to the Board. Louise Brooke-Smith stepped down as a Non-Executive Director in September 2025, following completion of her six-year term, and I would like to thank her for her support, commitment and contribution during her tenure.

## Health, safety and wellbeing

We believe that the workplace we provide should be safe for everyone who works in or visits it, and that the teams within our workplaces should be open and inclusive. Health and safety remains a key priority and was discussed at each Board meeting held during the year, setting the tone from the top. Our Group Health, Safety and Environmental (HSE) Director also attended two Board meetings to provide detailed updates on HSE performance, progress with the Genuit Blue HSE Audit programme and initiatives planned or underway to improve the safety, health, physical and mental wellbeing of our employees. The Board also took part in site tours at each operational site where a Board meeting was held, allowing first-hand visibility of health and safety standards and the ability to interact with colleagues to understand any concerns they might have. We look forward to continuing to build on our achievements and to strive for high standards in workplace wellbeing and safety. Further detail about some of the activities in the year can be found in our Health, Safety and Environment Report on pages 63 to 64.



*"We look forward to continuing to build on our achievements."*



## Sustainability

Sustainability is a key driver of our strategy, and we continue to work towards achieving the ambitious targets to which we have committed. Overall, we made strong progress towards achieving our stretching sustainability targets, as outlined on pages 34 and 40 of the Strategic Report. We continued to engage with key stakeholders on our progress in this area and to look for opportunities to enhance our sustainability credentials within our products, supply chain and workplace.

We remain committed to the principles of the circular economy and to prioritising reductions in embedded carbon alongside the use of recycled materials. During the year, we continued to make progress towards our net-zero targets, as approved by the Science Based Targets initiative (SBTi), and we continue to lead the sector in our use of recycled polymer and to be the lowest carbon supplier of choice to our customers. In addition, sharing high-quality, verified data is key to achieving reductions in embedded carbon by providing customers with the information to enable them to make informed decisions, and in this regard, we continued to increase the availability of Environmental Product Declarations (EPDs) and TM65s across the Group during the year.

## Dividend

We are pleased to be able to provide a reliable return to our shareholders, in accordance with our progressive dividend policy.

A 2025 final dividend payment of 8.7 pence per share (2024: 8.4 pence per share) is recommended, subject to shareholder approval at the Annual General Meeting. In addition to the 2025 interim dividend payment of 4.2 pence per share, the total dividend for the year is 12.9 pence per share (2024: 12.5 pence per share), an increase of 3.2% over prior year.

## Focus for 2026

We look forward to the opportunities that our updated divisional structure will bring, whilst continuing to promote a culture across all our businesses that drives the right behaviours and decisions to promote the success of the Group for the benefit of all our stakeholders.

We will continue to engage with our customers, suppliers and employees to understand how we can collaborate and support them to create sustainable living for all.

I would like to take this opportunity to thank all my Board colleagues, the Executive Leadership Team and our employees across the Group for their dedication, loyalty and hard work during 2025, and I look forward to our future opportunities and working together on those challenges ahead, as we continue to deliver our Sustainable Solutions for Growth strategy in 2026.

**Kevin Boyd**  
Chair

10 March 2026

# Disciplined strategy execution delivering continued growth



Watch the interview with our CEO

Joe Vorih  
Chief Executive Officer

*"Jenuit has again demonstrated its ability to grow and outperform in challenging markets."*



## Against a backdrop of subdued market activity, we delivered organic revenue growth and grew underlying profits year-on-year, despite cost headwinds.

During 2025, Genuit continued to deliver on its Sustainable Solutions for Growth strategy, enabling another year of steady progress despite tough market conditions. By harnessing the strength of our Group, we made targeted market share gains and expanded our product and solution offering through range launches and acquisitions. We continued to focus on operational excellence, including through the deployment of the Genuit Business System (GBS), continued investing in our people and reduced our carbon footprint – all of which has helped to strengthen our position going into 2026. I would like to take this opportunity to thank our Genuit Leadership Team and our 3,274 colleagues for their hard work and dedication in delivering this performance.

After a promising first half of 2025, market volumes were adversely impacted in the second half by uncertainty surrounding the UK Government Budget. This uncertainty impacted business and consumer confidence and contributed to a reduction in volumes year-on-year, particularly in the fourth quarter. Despite this, the Group benefited from its focus on higher-growth segments of the construction market, including residential ventilation and blue-green roofs, which helped to offset softness in core residential newbuild and repair, maintenance and improvement (RMI) markets.

Against this backdrop, the Group continued to outperform the market, with an organic revenue increase of 3.2% and growth in underlying profits, despite cost headwinds.

Our annual underlying operating profit increased to £94.4m from £92.2m on a reported basis, including the contribution of recent bolt-on acquisitions, and was broadly flat on a like-for-like basis.

Our ongoing Group-wide deployment of GBS has contributed lean productivity and efficiency savings, which have helped partially offset the impact of National Insurance and National Living Wage increases. As expected, second-half margins were higher than the first half and, as a result of further price and cost actions taken in the second half, we will continue to make progress towards our medium-term margin target. With strong operational gearing and sufficient available capacity to increase production by c.25%, the Group is well positioned to support a material increase in construction activity.

Underlying operating cash conversion was strong at 102.0%, which achieves our over 90% medium-term target. Net debt to underlying pro-forma EBITDA as at the end of December 2025 was 1.5 times following our acquisitions in 2025, with both cash conversion and net debt levels enabling us to continue investing in long-term growth.

In line with the Group's progressive dividend policy, we are pleased to be able to propose an increase in our full-year dividend to 12.9 pence per share, reflecting continued profit progression, a robust balance sheet and confidence in the Group's future prospects.

## Performance

|   |                    |  |
|---|--------------------|--|
| <b>Revenue</b><br><b>£602.1m</b>                    | <br>up<br>7.3%     | Organic growth 3.2%  |
| <b>Underlying operating profit</b><br><b>£94.4m</b> | <br>up<br>2.4%     | Broadly flat on a like-for-like basis                                    |
| <b>Underlying operating margin</b><br><b>15.7%</b>  | <br>down<br>70 bps | H2 > H1  |
| <b>Underlying cash conversion</b><br><b>102.0%</b>  | <br>>90%           | Strong cash generation   |
| <b>Dividend per share</b><br><b>12.9p</b>           | <br>up<br>0.4p     | Progressive dividend   |
| <b>Leverage</b><br><b>1.5x</b>                      | <br>1.0x–2.0x      | Strategic bolt-on acquisitions in 2025 of an enterprise value of £104.6m |

## Our strategy



## Growth

Genuit is focused on markets with sustainability-linked growth drivers, supporting customers to mitigate climate change and adapt to its effects. Our portfolio of low-carbon, labour-saving and energy-efficient solutions, spanning heating, cooling, ventilation and water management, underpins our growth strategy.

The Group delivered organic revenue growth in the year despite the softness in the UK construction sector, benefiting from its exposure to higher-growth market segments and supported by the adoption of new solutions and targeted market share gains.

Ventilation sales were particularly encouraging in the year, driven by the adoption of MVHR with cooling in multi-occupancy residential developments and landlord's anticipating the introduction of Awaab's Law. There was also strong demand for blue-green roofs, driven by the need for biodiversity gains in urban environments, and for prefabricated 'low labour' solutions – particularly in commercial building.

We achieved market-share gains in our drainage portfolio, taking advantage of the exit of a competitor from the UK market and winning a greater share of the merged Barratt Redrow business, the full impact of which will be realised in 2026. We hold number one or two positions in key segments, with clear scope to expand further. This reflects our strong brand recognition, which, combined with the launch of tiered product ranges, has further strengthened our market position. We remain focused on leading the market

with innovation that drives sustainability in the built environment.

Our end markets continue to benefit from legislative tailwinds, including the Future Homes Standard, the Warm Homes Plan and the transition from CF21 to CF25 in schools, providing structural growth opportunities across key product ranges such as MVHR and underfloor heating. Regulation continues to evolve addressing damp and mould in social housing and to provide better ventilation in schools and hospitals. In addition, the AMP8 regulatory cycle is driving opportunities as the water utility sector invests £104bn over a five-year period; Genuit achieved initial framework wins in 2025 and expects increasing revenue through the AMP8 cycle.

Complementing a strong organic pipeline, Genuit has also continued to strengthen its portfolio via bolt-on M&A, taking a disciplined, value-led approach.

In August and September 2025, we welcomed new colleagues from two acquisitions, Monodraught and Davidson Holdings, both of which bring highly complementary product portfolios and an opportunity to leverage the Group's routes to market, as well as having clear pathways to meet our Group profitability target.

Monodraught was acquired for an enterprise value of £55.6m on a debt-free and cash-free basis, and was funded through existing facilities. It is a UK leader in sustainable ventilation cooling and heating solutions for new and refurbished

[Read more](#)

- [Monodraught controls – page 19](#)
- [Managing stormwater – page 21](#)
- [Water conservation – page 23](#)

commercial buildings, with a strong presence in education, it now forms part of our Climate Division. The business is highly complementary to Nuaire and Domus, with minimal overlap, and provides clear opportunities to leverage the Group's scale and routes to market, as well as leverage broader solutions powered by their proprietary Acuity controls.

Davidson Holdings was acquired for an enterprise value of £49.0m, also on a debt-free and cash-free basis and funded through existing facilities. Its leading plumbing and heating brands, which include Salamander, Cistermiser & Keraflo and Talon, hold strong positions in the UK RMI markets across residential and commercial sectors. The portfolio aligns with our sustainability-led growth drivers, particularly water conservation and efficiency, and it now forms part of our Water Division. We see clear revenue synergies through leveraging Genuit's routes to market, demand creation and specification selling model.

We remain active in pursuing further bolt-on, strategic acquisitions that enhance organic growth potential and support long-term shareholder returns.



## Sustainability

There is an increasing need for climate mitigation and adaptation solutions to meet the urgent challenges facing our infrastructure, buildings, communities and planet. This is demonstrated by an increase in the prevalence of extreme weather events and addressed by both established and emerging legal and regulatory frameworks.

Sustainability is at the heart of our business, and the Group remains focused on sustainability-driven growth, enabling the built environment to respond to climate adaptation and mitigation challenges, whilst staying committed to reducing our overall impact on the environment.

During 2025, we published our second Group Sustainability Report, which enhanced our sustainability disclosures and showcased our progress in improving our performance across a wide range of sustainability topics.

We continue to lead the industry as the largest user of recycled polymers, at over 50% of our total tonnage in the year, and we have held the Green Economy Mark since 2019 with over 75% green revenues.

We achieved an 11.0% reduction in carbon emissions across scopes 1 & 2 (market-based) and a 9.9% decrease in scope 3: category 1 (purchased goods and services), supporting our customers who are increasingly focused on the environmental impact of their supply chain.

During the year, we increased by nearly fourfold our use of biodiesel in our HGV fleet to 385,789 litres in 2025 (2024: 105,564 litres),

enabling strong carbon reductions against scope 1 emissions.

We have continued to accelerate our adoption of Environmental Product Declarations (EPDs), with 57% revenue coverage at year end.

Our ambition is to be the lowest-carbon choice for our customers to maximise exposure to structural growth drivers. During 2025, we undertook an assessment comparing our EPD values to those of our key competitors. Of more than 540 carbon comparisons performed, the Group's

products were the lowest-carbon option in 64% of instances.

Furthermore, we continued to improve by reducing scopes 1 & 2 carbon intensity, on a rolling 12-month basis, to 0.105tCO<sub>2</sub>e per tonne of production (2024: 0.124tCO<sub>2</sub>e).

Public disclosure is a cornerstone of responsible manufacturing and business practices, and we continued to enhance our disclosures with CDP, S&P CSA Global and EcoVadis, along with other ratings and disclosure agencies.

[Read more](#)

- [Learn more about our climate targets on page 40](#)

### Our science-based targets

| Our targets   | Progress             |
|---|----------------------|
| Reduce absolute scopes 1 & 2 GHG emissions 30% by 2027 from 2021 baseline year                          | 39.4%<br>2024: 31.9% |
| Increase annual sourcing of renewable electricity from 94% in 2021 to 100% by 2027 through 2030         | 98.7%<br>2024: 96.3% |
| 83% of suppliers (by emissions) of purchased goods and services will have science-based targets by 2027 | 31.6%<br>2024: 28.0% |



## Genuit Business System

[🔍 Read more](#)

- [Case study: Sky Garden – page 61](#)
- [Case study: Rainwater – page 62](#)

In 2025, 93% of our Genuit Leadership Team (GLT) participated in kaizen events. This action contributes to meaningful operational improvements and also provides hands-on experience with GBS methodologies.

During the year, the Group saw strong adoption of Daily Management practices, with over 50% of our sites now using Daily Management tools to evaluate performance and engage the workforce in resolving issues at source. This structured approach provides clarity for colleagues at every level, supports better decision-making and reinforces a culture where continuous improvement becomes part of day-to-day work.

In 2025, the Group broadened the scope of kaizen events to focus on strategic workstreams and realise further operational efficiencies, like more effective strategy deployment across its Business Units, and the launch of a series of growth tools, including market-mapping with our marketing, sales and product development teams.



## People and Culture

[🔍 Read more](#)

- [Viva Engage – page 68](#)
- [Trademark Behaviours – page 74](#)
- [Engaging with our employees – page 77](#)

In 2025, we ran two ‘Your Voice’ engagement surveys for our colleagues: a pulse survey with a reduced question set in April, and a full survey in October. The Group had an increase in overall engagement, from 7.0 in 2024 to 7.1 in 2025.

Feedback from our Your Voice survey made it clear that colleagues want more opportunities to grow, progress and make an impact. We now have 70 colleagues who have completed our Genuit Leadership Programme (GLP), which is designed to create empowered, skilled leaders who lead and inspire their teams to success. We are also proud of our continued achievement of Gold member status of The 5% Club, with 18.9% of our UK colleagues in recognised Earn and Learn programmes across several levels and disciplines.

In September 2025, we took a major step forward in how we connect as a business. When Meta retired Workplace, we seized the opportunity to unify our communications and strengthen collaboration across the Group. We successfully transitioned everyone to Microsoft Viva Engage, extending the power of Teams and SharePoint to all colleagues, whether on a PC, shared device or personal device.

We are continually working to create an environment where all employees can be their authentic selves, and in 2025, we proudly launched five new diversity and inclusion colleague networks. Each network is led and managed by passionate colleagues, with a dedicated chair and co-chair who meet regularly with our Chief People Officer. The networks are open to everyone, fostering allyship and understanding across our business.





*"Our strategy remains unchanged despite uncertain market conditions. We remain focused on operational excellence, exposure to sustainability-led growth drivers and disciplined, strategic bolt-on M&A."*

### Summary

Since launching our Sustainable Solutions for Growth strategy in November 2022, we have continued to lay the foundation for growth and success, while making solid progress towards our medium-term targets. We have a better-led, more engaged and inclusive team and GBS to share best practices and drive continuous improvement, creating a leaner, more agile and streamlined business than ever before. We remain focused on higher-growth, sustainability-led markets augmented by strategic bolt-on acquisitions that add solution depth and scale.

The strong progress we made as a Group on simplifying our organisational structures over the past four years has helped unlock more opportunity. As a further simplification, we took the decision to move to a two divisional structure from the beginning of 2026. This allows us to focus on two segments, Climate and Water, enabling the Group to deliver even more value to our customers and optimise synergies to reinvest in growth for the future.

As a result, the Group is well positioned for market recovery following a solid performance in 2025. We delivered above-market organic growth and increased profits through operational excellence and balanced price and cost management, despite the previously mentioned labour cost headwinds.

Whilst market conditions have been uncertain, the team at Genuit have continued to strive for excellence as 'Together, we create sustainable living'. The commitment and dedication of all of our colleagues underpins the Group's success and I thank them for all their hard work.

**Joe Vorih**  
Chief Executive Officer

10 March 2026

## Our resources

### People

Experts who are knowledgeable about our customers' applications and are empowered to act.

### Expertise

Innovation, continuous improvement and unique intellectual property defends our market positions.

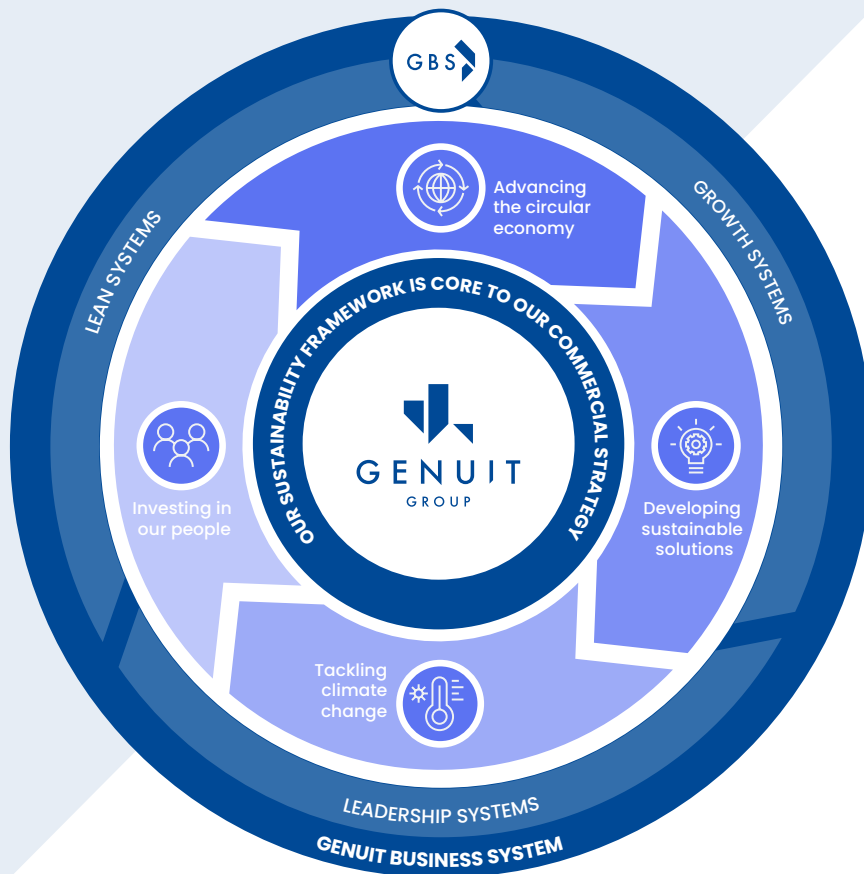
### Strong leadership

Clear direction and focused resource allocation enables our colleagues to deliver our strategic vision.

### Capital investment

Disciplined capital allocation is used to fund sustainable profitable growth, which is consistent with our strategic objectives.

## How we create value



## For our stakeholders

### Customers

High quality and innovative products offering engineered solutions that enable a sustainable built environment. Providing support, value, range, bespoke solutions and market-leading brands.

### Shareholders

Share price appreciation and progressive dividend. Responsible and ethical investment.

### Employees

Training and skills development, commitment to inclusion and diversity, direct engagement and empowerment, providing an opportunity for us to make a difference.

### Suppliers

Long-standing relationships, fair negotiation, certainty of payment and reputation.



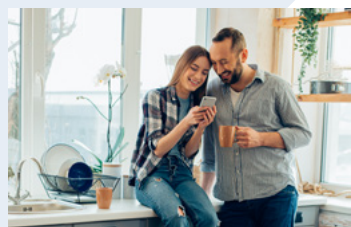
Addressing the need for clean, healthy air and low-carbon heating and cooling.



Enabling climate adaptation and resilience through integrated surface water and drainage solutions.



Providing a range of solutions to reduce the carbon content of the built environment and assist construction labour efficiency.



## To help our customers

We help professionals create sustainable, engineered water and climate management solutions for the built environment.

### Customers

- One-off installers
- Contract installers
- Civil engineers and contractors
- M&E consultants

### Who then deliver to the end user

- Housebuilders
- Civils and Commercial sector developers
- Asset owners and self-builders
- Civil engineers and contractors
- M&E consultants

## Local communities and the environment

Working to enhance the built environment whilst engaging with local communities and charities.

# Business Unit reviews



## Business Unit review



# Climate Management Solutions

### Revenue

£178.9m

+10.7%

### Underlying operating profit

£24.4m

+1.7%

The Climate Management Solutions (CMS) Business Unit plays a critical role in accelerating the transition to clean, healthy air and low-carbon heating and cooling. With emissions and heating and cooling systems representing the largest operational carbon contributors, the need for change is urgent. Strengthening regulations are raising expectations for better insulation performance, driving greater demand for high-quality ventilation and improved indoor air quality. At the same time, the shift to lower-carbon, more efficient heating technologies is essential to achieving national climate goals. Our goal is to deliver integrated, future-proof solutions that enable this transition across the built environment.

### Brands



### Market context

Although the UK construction market remained subdued due to higher interest rates, affordability constraints and broader economic uncertainty, sustainability-related activity continued to outperform the sector as a whole. Regulatory tailwinds drove sustained demand for ventilation – particularly following Awaab's Law, and supported growth in our hybrid heating and cooling module. Rising net-zero expectations, tighter building-performance standards, the new Warm Homes Plan, and the growing focus on retrofit have continued to reinforce demand for lower-carbon heating technologies.

### Key activities in 2025

- Defended our market share in UK residential markets for filters by launching two new Adey filters, strategic account planning and a robust pricing strategy.
- Establishing Nuair as experts in the field of hybrid cooling, helping contractors, consultants and developers find the appropriate solutions to the challenges of Part O in building regulations and meeting the Acoustic, Ventilation and Overheating (ACO) requirements, leading to significant growth in this sector.
- Acquisition of Monodraught, bringing in expertise and capabilities in controls and deep knowledge of the education sector.
- Simplified the Business Unit to leverage expertise across businesses, pooling resources to maximise the customer experience.
- Continued to drive the Genuit Business System in our businesses, increasing skills in customer insights and improving operational efficiency.

### Genuit Business System (GBS)

We continued to advance the roll-out of tools within GBS. Within Adey, we focused on enhancing stock efficiency through the implementation of a 'kanban' system, improving working capital and strengthening stock availability for our customers. Across CMS, we developed and deployed tools to deepen our understanding of customer needs and market dynamics, helping us identify priority segments and the largest growth opportunities. This work has informed a more refined go-to-market approach, leveraging our strong service capabilities and solution expertise to deliver greater value for all our customers.

### Sustainability

Our Nuair business has accelerated its sustainability progress by transitioning key product ranges, including air handling units and heat recovery systems, to lower-carbon steel, delivering up to a 64% reduction in embodied carbon. Nuair have also updated its market-leading Positive Input Ventilation (PIV) system to a 100% recycled plastic casing, further lowering environmental impact.

### People and Culture

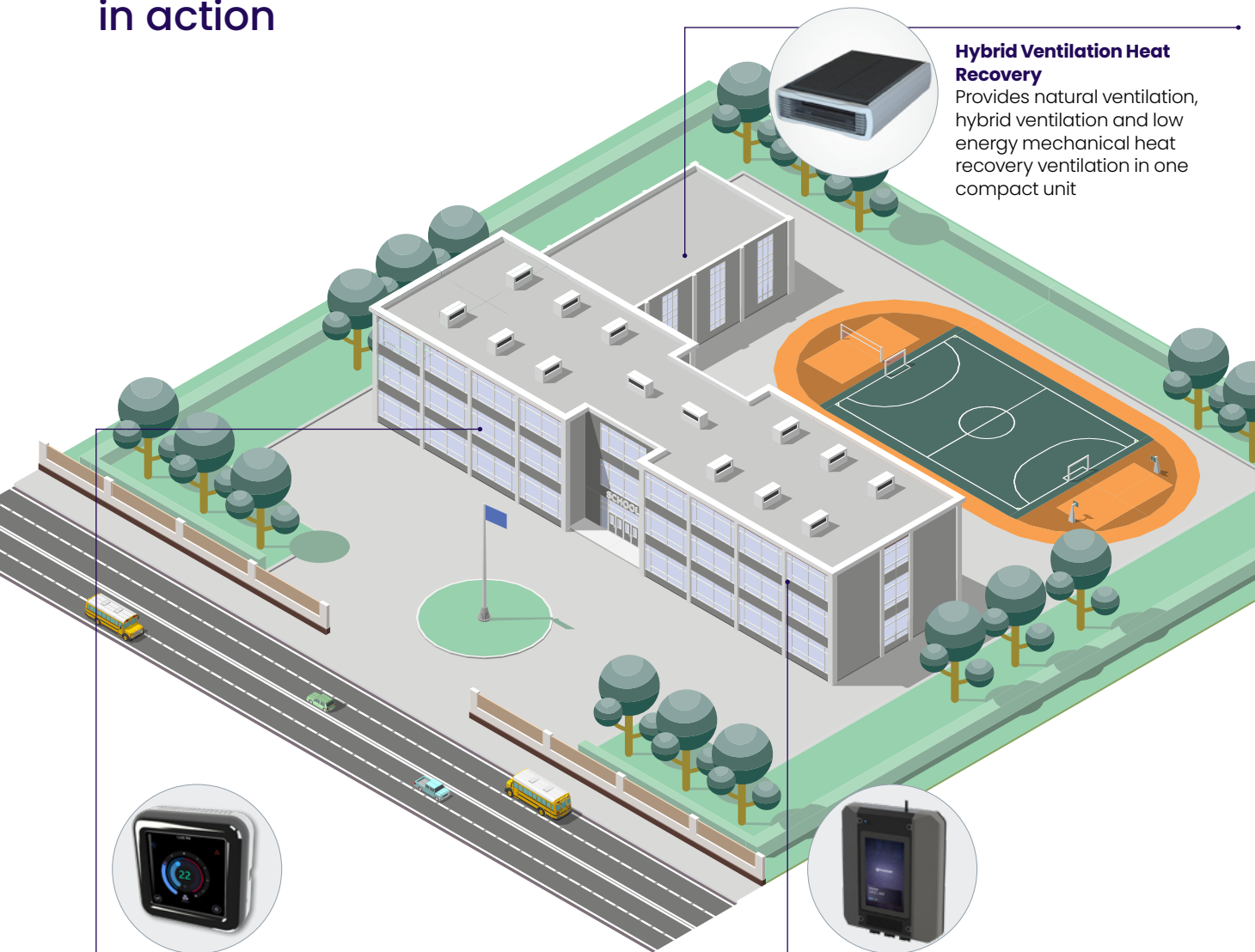
In 2025, CMS continued to strengthen its people and culture by bringing teams together through enhanced collaboration and shared development activities. With the acquisition of Monodraught we gained new skills and capabilities in controls, which we are excited to leverage across the Group. Our commitment to diversity and inclusion (D&I) was reinforced through initiatives such as Nuair's sponsorship of Pride Caerffili, alongside broader Group-wide participation. To underpin our strategic ambitions, we also invested in key resources and specialist roles, ensuring we have the capacity and expertise required to support sustainable growth across CMS.



### Looking ahead

- Continued demand for ventilation to address damp and mould problems in social housing, heating and cooling requirements in commercial and residential dwellings, with Parts L, F & O of the building regulations, the anticipated Future Homes Standard and the recently launched Warm Homes Plan providing legislative tailwinds.
- Opportunity to streamline service propositions across the Climate Division and provide unified, value-added services that deliver diagnostics, compliance support and life cycle optimisation for customers.
- As regulations in the UK and across Europe push towards healthier, lower-carbon, more energy-efficient performance from buildings, the Climate Division is well placed for growth, with sufficient capacity to meet potential demand.

# Monodraught controls in action



**Hybrid Ventilation Heat Recovery**  
Provides natural ventilation, hybrid ventilation and low energy mechanical heat recovery ventilation in one compact unit



**Modena, wall controller**  
User interface that provides room occupants with overall control of the ventilation system. The controller has calibrated temperature sensors and a CO<sub>2</sub> sensor



**Acuity, central connectivity system**  
Utilises automated continuous monitoring software, the system remotely monitors and diagnoses potential issues before they occur



**Nick Hopper**  
Technical Director, Monodraught

## Q&A

**Q: What is Monodraught’s control technology and how does it work?** Acuity, Monodraught’s control technology is a cloud-based central connectivity system that captures and analyses live operational data across our indoor climate solutions. Through continuous monitoring, it autonomously identifies inefficiencies, predicts maintenance requirements, and unlocks measurable energy, operational and carbon savings.

**Q: How does Acuity improve the experience for the end users in practice?** At the user level, Modena, Monodraught’s proprietary user interface, connects directly to the Acuity platform, providing building managers with real-time visibility, system control, and performance optimisation through a single, intuitive environment. Customers pay for service agreements to help optimise building performance and maintain healthy indoor environments.

**Q: How is Acuity enabling integration across Genuit Group?** Following Genuit Group’s acquisition of Monodraught, Acuity enabled rapid integration with Nuair’s ventilation portfolio through the development of the EC-Link. This eliminated the need to develop a new control platform from scratch, significantly reducing R&D investment, lowering integration risk, and accelerating time-to-market, whilst supporting a scalable digital platform across multiple products and brands.



# Water Management Solutions

## Revenue

£169.5m  
+5.3%

## Underlying operating profit

£9.6m  
-29.4%

The Water Management (WMS) Business Unit focuses on upgrading stormwater and wastewater infrastructure to address the increasing challenges posed by climate change. As temperatures rise, the atmosphere holds more moisture, driving more frequent and more intense rainfall events. Much of today's ageing infrastructure cannot accommodate these higher volumes. At the same time, the growing concretisation of urban areas is accelerating surface water runoff. Our green urbanisation strategy strengthens stormwater resilience whilst supporting urban greening and delivering biodiversity net gain across the communities we serve.

## Brands



## Market context

In 2025, the water and environmental infrastructure sector entered a period of accelerated investment and regulatory pressure, committing a record £104bn to modernising networks, reducing storm overflows and strengthening climate resilience. This has provided a significant opportunity for stormwater management and green infrastructure, leading to growth in this sector. In the Middle East, the continued scaling-up of infrastructure investment to address intensifying climate risks has underpinned growth in that region.

## Key activities in 2025

- Strong pipeline and first orders for water utility companies seeking to address stormwater management and combined sewer overflows.
- Growth in revenue and profitability from our Sky Garden blue-green roof and podium decks, owing to an expanded solution offering in bio-solar and Permavoid passive irrigation.
- Integration of Keytec into Polypipe Civils and Green Urbanisation (PCGU) to provide better installation services to our customers.
- Using the Genuit Business System we accelerated our operational efficiency at several of our sites, including a breakthrough kaizen at Sky Garden.
- Owing to the growth in the Middle East region, we invested in tooling for use by a third party manufacturer, increasing our capacity by 50%.

## Genuit Business System (GBS)

2025 saw strong progress in deploying GBS across WMS. We have empowered teams to identify and remove bottlenecks and drive efficiency improvements. Some notable achievements include a production-line performance improvement on a key product, resulting in 40% reduction in downtime. We also had a breakthrough kaizen at Sky Garden which led to fantastic results for the team and for servicing our customers.

## Sustainability

Environmental Product Declarations (EPDs) play a crucial role in the customer decision-making within this Business Unit, and we are proud that PCGU, whose products underpin our solutions, now have 95% EPD coverage. This demonstrates our continued progress towards being the lowest-carbon supplier of choice. With our expertise in water management, the WMS

Business Unit is uniquely positioned to help customers adapt to the effects of climate change, and our PAS 2080 accreditation reinforces our commitment to managing and reducing carbon across the value chain.

## People and Culture

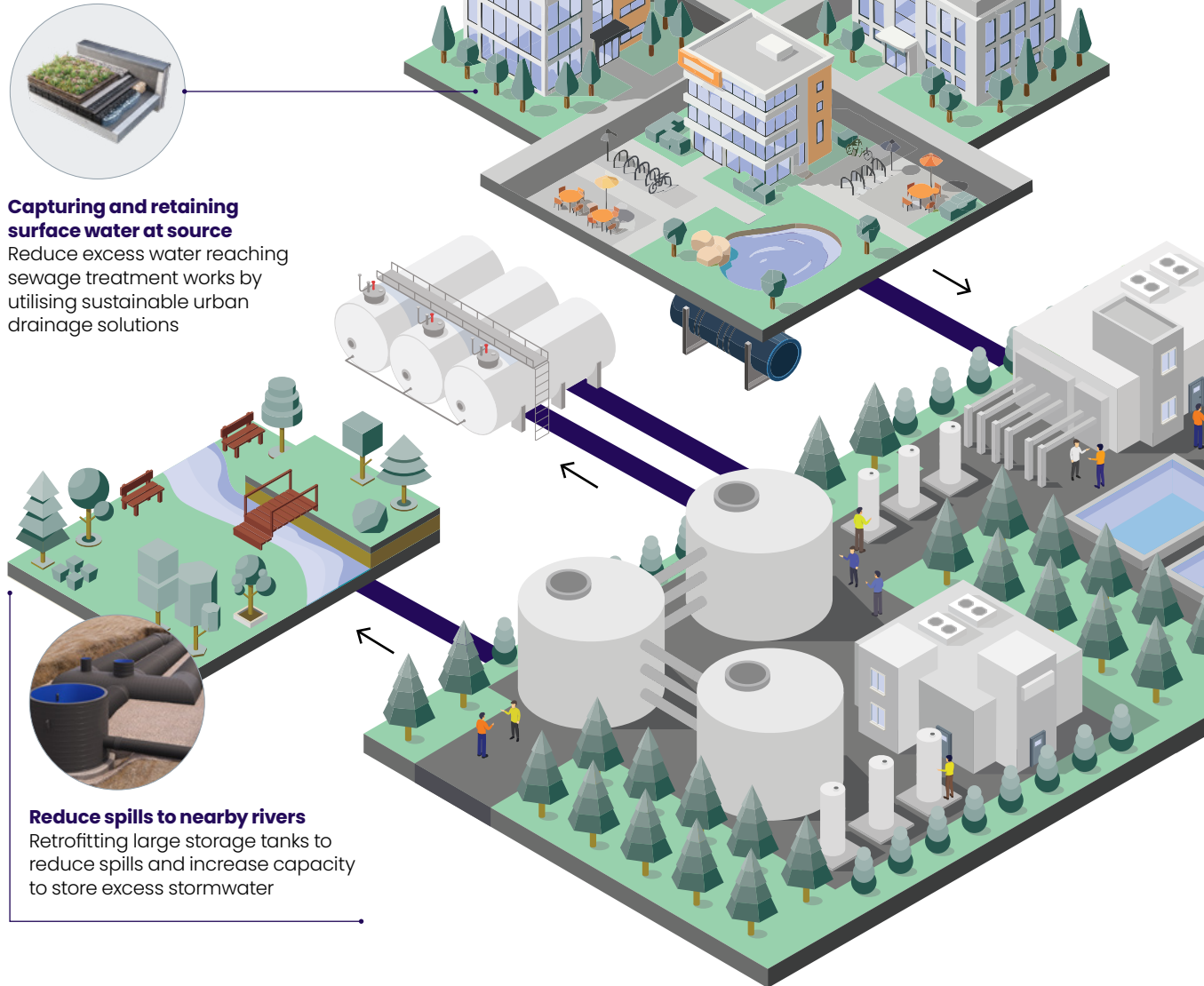
This year, our Business Unit strengthened its people and culture agenda through meaningful achievements and initiatives. We were proud to be named Employer of the Year by the Grimsby Institute Apprenticeships, recognising our commitment to developing early-career talent. The successful integration of Keytec into PCGU highlighted our focus on creating a unified, collaborative workforce and embedding shared values across teams. Throughout the year, we celebrated key cultural days and brought our people together through volunteering events that strengthened connection and community. We continued to invest in our colleagues' growth, with development on GBS that enhanced their capability and supported long-term career progression.



## Looking ahead

- Capitalising on AMP8, where increased investment in water management and resilience aligns directly with our core capabilities and solution portfolio, already contributing to securing two large-scale projects in 2025.
- Leveraging our unique integrated value proposition in green urbanisation, combining PCGU, Permavoid and Sky Garden technologies to offer customers both cost efficiencies and meaningful carbon reductions.
- Accelerating international growth, with strategic focus on Middle East and Europe, where rising demand for flood mitigation infrastructure is creating significant opportunities.
- Embedding GBS to drive operational excellence, enhance productivity and support margin improvement across the Business Unit.
- Going forward in 2026, WMS will be reported as part of the Water Division.

# Managing stormwater in our urban environment



**Capturing and retaining surface water at source**  
 Reduce excess water reaching sewage treatment works by utilising sustainable works by utilising sustainable drainage solutions

**Reduce spills to nearby rivers**  
 Retrofitting large storage tanks to reduce spills and increase capacity to store excess stormwater



**Jason Shingleton**  
 Innovation Director, Water Division

## Q&A

**Q: What are the unique challenges facing the water utilities sector?** The water sector faces a set of interconnected challenges driven by climate change, urbanisation, and ageing infrastructure. Much of today's network was never designed for the increased volumes of surface water generated by more frequent and intense rainfall, resulting in widespread surface water flooding and regularly overloaded sewage treatment works.

In the short term, utility companies must find ways to reduce spills and increase their treatment capacity, whilst also retrofitting additional storage and conveyance within existing sewer systems to prevent pipes from being overwhelmed. At the same time, stormwater needs to be disconnected and better managed within live urban environments, all without disrupting daily life—and ideally while enhancing local places for residents. Delivering these interventions rapidly, efficiently, and at scale remains a major industry-wide challenge.

**Q: What value does Genuit bring in solving these challenges?** Genuit brings significant value in addressing these pressures through deep expertise in spill interception, green infrastructure, and SuDS that slow, store, and manage water close to where it falls. Its retrofitable green infrastructure solutions create multifunctional urban spaces, while its modern large-diameter storage systems and smart controls optimise performance. These are complemented by low-carbon products incorporating recycled materials.



# Sustainable Building Solutions

## Revenue

£246.8m  
+6.5%

## Underlying operating profit

£59.9m  
+10.1%

The Sustainable Building Solutions (SBS) Business Unit delivers a comprehensive portfolio of market-leading products across plumbing and water supply, drainage and a wide range of building accessories. Designed for efficient installation, these solutions support leading builders merchants, residential housebuilders, and commercial contractors. SBS continues to play a pivotal role in our ambition to be the lowest-carbon supplier of choice, making further progress in reducing the carbon footprint of its products through an increased use of recycle and targeted reductions in material use.

## Brands



## Market context

Although the UK construction sector experienced significant pressures in 2025, including year-on-year decline in project starts, growing regulatory pressure and an increased focus on embodied carbon reinforced the need for low-carbon innovation. This enabled SBS to secure and protect key projects and accounts. The shift towards products that support efficient installation, faster delivery and greater cost certainty also drove continued growth in SBS offsite solution sales.

## Key activities in 2025

- Polypipe successfully secured the tender to service the newly combined Redrow and Barratt business, owing to their leading range of products, service and status of low-carbon supplier of choice.
- With the recent exit of a UK plumbing and drainage competitor, Polypipe has achieved its goal of securing additional market share without compromising its market-leading service.
- Acquisition of the Davidson group of companies, bringing in expertise and capabilities in water efficiency, an increasing area of focus for developers.
- Further progress on polymer recycling, alongside Polypipe having c.50% of its sales volume covered by Environmental Product Declarations (EPDs).
- Continued to embed the Genuit Business System, contributing to improvements in Health and Safety, and improved efficiency and sustainability.

## Genuit Business System (GBS)

We have strengthened our GBS foundations with a further year of kaizens and projects. Operational efficiency remains a core competitive advantage in this Business Unit, and focus was placed on both product operations, improving stock availability to customers, as well as sales efficiency improving time to serve customers. A main focus has been to embed GBS into leadership culture, ensuring that all senior leaders attended at least one kaizen throughout the year.

## Sustainability

This year we improved carbon transparency by providing customers with EPDs, giving them the verified data needed for sustainable procurement. Innovation has enabled us to significantly increase recycled content across key product lines, helping customers to meet their own sustainability targets. Alongside reducing the carbon impact of our products, we are progressing with recycling end-of-life products, partnering with Wolseley Plumb Centre on a take-back scheme.

## People and Culture

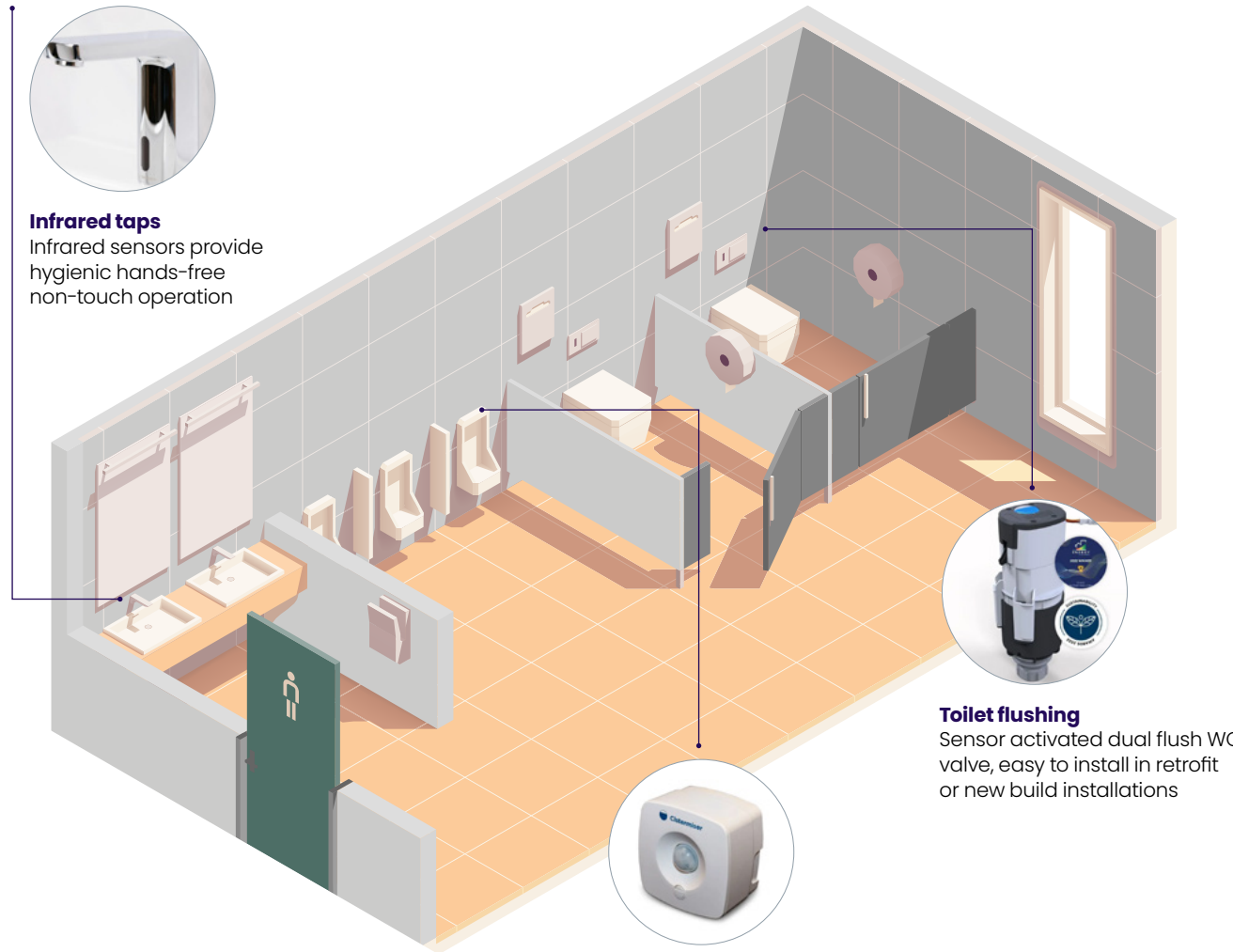
Our people and culture remain at the heart of our success, which is reflected in the positive impact we aim to create both inside and outside the organisation. Throughout the year, our teams have proudly supported a range of charitable initiatives, strengthening our connection with the communities that we serve. We continued our valued partnership with Harrison College in Doncaster, helping young adults with learning disabilities gain meaningful work experience and build confidence as they transition into employment. This commitment to inclusion, development and community engagement was recognised when Polypipe Building Products was awarded Employer of the Year at the Doncaster Chamber Awards – an achievement that celebrates the dedication of our colleagues and ongoing focus on creating a supportive, empowering workplace for all.



## Looking ahead

- Integration of acquired businesses and enhanced channel reach enable unified go-to-market models and an expanded portfolio, leading to growth in plumbing and heating.
- Water saving and efficiency solutions continue to gain traction as regulatory pressure, sustainability targets, and operating cost reductions drive increased solution adoption in both commercial and residential markets.
- Modern Methods of Construction (MMC) aligned drainage and water supply solutions are set for sustained growth, supported by the broader shift towards faster, lower-waste installation methods in commercial and high-rise residential projects.
- Going forward in 2026, SBS will be reported as part of the Water Division.

# Water conservation in action



**Infrared taps**  
Infrared sensors provide hygienic hands-free non-touch operation



**Toilet flushing**  
Sensor activated dual flush WC valve, easy to install in retrofit or new build installations



**Control valves and sensors**  
Automatically manage the supply of water to a urinal cistern, reducing water consumption by up to 80%



**Richard Braid**  
Managing Director, Cistermiser

## Q&A

**Q: What are the challenges facing the built environment when it comes to water conservation?**

Water efficiency and leakage reduction represent a significant and growing challenge for the built environment. The UK Government has set a legally binding target to reduce per-capita water consumption by 20% by 2038, with a longer-term ambition to reduce usage to 110 litres per person, per day, by 2050, which equates to a national saving of approximately four billion litres of water per day.

**Q: What value do these solutions bring to overcome those challenges?**

When Cistermiser water management controls are installed across a building's washrooms, water savings of up to 80% can be achieved compared with uncontrolled systems. For end users, this translates into lower utility costs, reduced carbon emissions and improved building performance, while maintaining hygiene standards, user comfort and regulatory compliance. As sustainability targets become more stringent, Cistermiser solutions provide a proven, preventative approach to water efficiency without compromising performance.

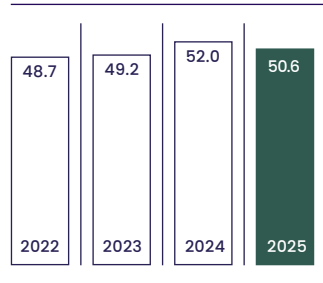
# Key Performance Indicators

We continually review the Group's performance indicators, which are critical to the measurement and delivery of our strategic objectives and sustainable shareholder returns.

## NON-FINANCIAL KPIS

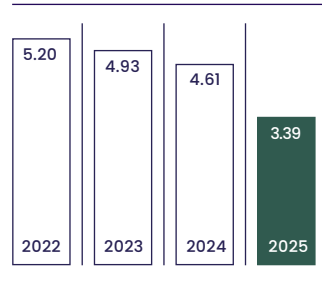
### USE OF RECYCLED POLYMERS

50.6%



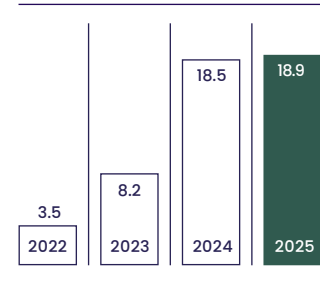
### ACCIDENT FREQUENCY PER 100,000 HOURS WORKED

3.39



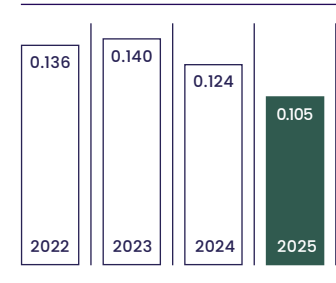
### DEVELOPING OUR WORKFORCE

18.9%



### CARBON INTENSITY INTENSITY RATIO

0.105tCO<sub>2</sub>e/t



Growth



Sustainability



Genuit Business System



People and Culture

The proportion of the Group's overall polymer consumption fulfilled by recycled materials

#### Importance to Genuit

The Group has a commitment to achieving the highest standards of environmental performance, preventing pollution and minimising the impact of its operations, including reducing waste being sent to landfill.

#### Commentary

Our use of recycled polymers decreased to 50.6% of our total tonnage consumption in the year, due in part to a machine processing issue in the second half of 2025. 50.6% excludes current year acquisitions.

Link to strategic objectives



The number of reported accidents as a proportion of total hours worked across the Group

#### Importance to Genuit

Beyond regulatory compliance, this metric reflects the effectiveness of our health and safety management across all sites. It demonstrates how well our people are protected from work-related hazards and highlights the maturity of our safety culture. Our long-term aspiration remains unchanged: zero accidents across the Group.

#### Commentary

This improvement reflects our focus on workforce engagement, improved reporting timeliness and the enhanced visibility of high-potential events. Further development of our Group-wide internal health, safety and environment (HSE) audit programme, Genuit Blue, has also provided benefits.

Link to strategic objectives



The proportion of our UK colleagues actively participating in The 5% Club recognised Earn and Learn programmes, such as apprenticeships, graduate trainees and student sponsorships

#### Importance to Genuit

Developing and investing in our colleagues drives revenue growth, operational efficiency and profitability, whilst facilitating employee retention and enhancing workforce morale.

#### Commentary

We maintained Gold Member status during 2025, with 18.9% of our UK colleagues in qualifying Earn and Learn programmes.

Link to strategic objectives



The intensity ratio is defined as the total tonnes of scopes 1 & 2 CO<sub>2</sub>e produced per total tonnes of production

#### Importance to Genuit

The year-on-year improvement in this measure demonstrates our commitment to operating in an environmentally sustainable manner, as the Group continues to grow.

#### Commentary

Our scopes 1 & 2 carbon intensity has decreased by 15.7% as we continue to be on track towards our goal of a 66% reduction since the 2019 baseline data was established, achieved through reductions in transport emissions and by increasing our renewable energy purchases. To date, we have achieved a cumulative intensity reduction of 61.6%.

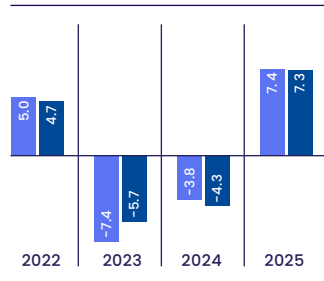
Link to strategic objectives



FINANCIAL KPIS

REVENUE GROWTH

+7.3%



UK  
Group

The annual percentage growth in both Group and UK (by destination) revenue

Importance to Genuit

Our strategy is to ensure that investment in our people and operations drives revenue growth that outperforms the general construction market, thereby enhancing our market leadership position.

Commentary

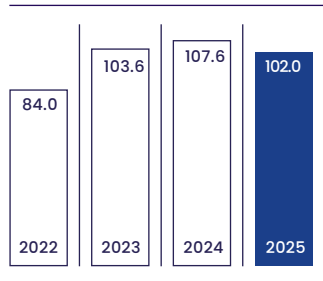
Group revenue increased 7.3% against 2024. On a like-for-like basis, excluding the impact of acquisitions, revenue was 3.2% higher than in the prior year. UK revenue increased by 7.4%.

Link to strategic objectives



UNDERLYING OPERATING CASH CONVERSION

102.0%



Underlying operating cash flow divided by underlying operating profit before depreciation and amortisation

Importance to Genuit

Cash conversion demonstrates our focus on efficiency, as well as enabling us to fund future organic and inorganic growth. This measure has been restated for all periods, to a pre-capex and lease payments basis. The Group believes that this demonstrates the Group's working capital efficiency before capital investment and allows for alignment with the Group's strategic investment profile in the medium term.

Commentary

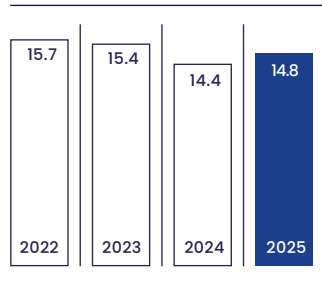
Our cash conversion decreased by 560 bps but remains strong, exceeding our 90% medium-term target.

Link to strategic objectives



RETURN ON INVESTED CAPITAL

14.8%



Return on invested capital (ROIC) is the ratio of acquisition-adjusted underlying operating profit to adjusted average net assets, including the exclusion of historic goodwill created from the Initial Public Offering (IPO) in 2014

Importance to Genuit

Due to the historical nature of the goodwill arising from the 2014 IPO, management believe that ROIC more fairly reflects business performance than the previously reported ROCE. The calculation for current and prior years is presented in the Five-Year Summary on page 222.

Commentary

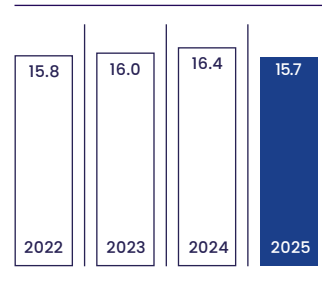
2025 saw improvement towards our medium-term target of 20%.

Link to strategic objectives



UNDERLYING OPERATING MARGIN

15.7%



Underlying operating profit as a percentage of revenue

Importance to Genuit

This metric indicates that we are investing in the right initiatives and operating efficiently, by driving out non-value added costs and delivering productivity gains.

Commentary

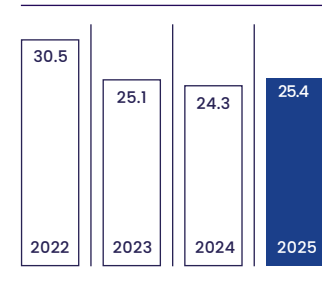
Full year underlying operating margin decreased by 70 bps to 15.7% (60 bps decrease on a like-for-like basis), impacted by National Insurance and National Living Wage increases; margin improvement in SBS offset softer margins in CMS and WMS.

Link to strategic objectives



UNDERLYING DILUTED EPS

25.4p



Underlying diluted earnings per share

Importance to Genuit

This metric provides the Company's investors, in particular, with a consistent indication of the Group's underlying financial performance. Underlying diluted earnings per share is defined in Note 13 on page 197.

Commentary

Underlying diluted earnings per share increased by 4.5%, due to a higher reported operating profit, a reduction in net finance costs and a lower underlying effective tax rate.

Link to strategic objectives



# Growth and outperformance in challenging markets

Tim Pullen  
Chief Financial Officer

*"With a resilient portfolio and a strong balance sheet, we are well positioned to continue outperforming through the cycle."*



## The Group delivered organic revenue growth, driven by the adoption of new solutions in structurally attractive segments and targeted market share gains.

### Revenue and profitability

Group revenue for the year ended 31 December 2025 was £602.1m (2024: £561.3m), which was an increase of 7.3% year-on-year. On a like-for-like basis, excluding the impact of 2024 and 2025 acquisitions, revenue was 3.2% higher than prior year. For the year, UK revenue increased 7.4% and international revenue increased by 6.0%, the latter representing 10.9% of revenue in the year (2024: 11.0%). Second-half revenue increased by 5.3% year-on-year (0.4% increase excluding August and September 2025 acquisitions) following a 9.3% increase in the first half, reflecting the decrease in market activity in the lead up to the UK Government Budget.

Underlying operating profit was £94.4m (2024: £92.2m), an increase of 2.4% on a reported basis (0.4% reduction like-for-like), supported by the growth in revenue but offset by National Insurance headwinds, and some margin softness in WMS and CMS. The Group's underlying operating margin decreased by 70 basis points to 15.7% (2024: 16.4%) as a result.

Profit before tax was £58.2m (2024: £46.3m), an increase of 25.7%.

The Group continued to invest in product development and innovation throughout the year. In 2025, operating profit benefited from £1.6m of HMRC-approved Research & Development expenditure credit (RDEC) (2024: £1.5m).

Underlying profit after tax was higher than the prior year at £64.6m (2024: £61.1m). Underlying basic earnings per share increased by 5.7% to 26.0 pence (2024: 24.6 pence).

Including non-underlying items, profit after tax was £45.2m (2024: £33.5m), and basic earnings per share was 18.2 pence (2024: 13.5 pence).

|   | 2025<br>£m   | 2024<br>£m | Change<br>%     |
|---|--------------|------------|-----------------|
| <b>Revenue, operating profit and margin</b> |              |            |                 |
| Revenue                                     | <b>602.1</b> | 561.3      | <b>7.3</b>      |
| Underlying operating profit                 | <b>94.4</b>  | 92.2       | <b>2.4</b>      |
| Underlying operating margin                 | <b>15.7%</b> | 16.4%      | <b>(70 bps)</b> |

|  | 2025<br>£m   | 2024<br>£m | Change<br>% |
|--|--------------|------------|-------------|
| <b>Revenue by geographic destination</b> |              |            |             |
| UK                                       | <b>536.4</b> | 499.3      | <b>7.4</b>  |
| Rest of Europe                           | <b>35.7</b>  | 32.9       | <b>8.5</b>  |
| Rest of World                            | <b>30.0</b>  | 29.1       | <b>3.1</b>  |
| Group                                    | <b>602.1</b> | 561.3      | <b>7.3</b>  |

### Business Unit Review

|                                | 2025<br>£m   | 2024<br>£m | Change<br>%  | LFL Change<br>% |
|--------------------------------|--------------|------------|--------------|-----------------|
| <b>Revenue</b>                 |              |            |              |                 |
| Climate Management Solutions   | <b>178.9</b> | 161.6      | <b>10.7</b>  | <b>5.9</b>      |
| Water Management Solutions     | <b>169.5</b> | 160.9      | <b>5.3</b>   | <b>0.5</b>      |
| Sustainable Building Solutions | <b>246.8</b> | 231.7      | <b>6.5</b>   | <b>3.3</b>      |
|                                | <b>595.2</b> | 554.2      | <b>7.4</b>   | <b>3.2</b>      |
| Other*                         | <b>6.9</b>   | 7.1        | <b>(2.8)</b> | <b>(2.8)</b>    |
| <b>Total Group</b>             | <b>602.1</b> | 561.3      | <b>7.3</b>   | <b>3.2</b>      |

\* Relates to Polypipe Italia SRL which did not form part of the Group's strategic Business Units in 2024 and 2025 but will form part of the Water Division for 2026 onwards.

|                                    | 2025<br>£m  | ROS*<br>%   | 2024<br>£m | ROS*<br>% | Change<br>bps |
|------------------------------------|-------------|-------------|------------|-----------|---------------|
| <b>Underlying operating profit</b> |             |             |            |           |               |
| Climate Management Solutions       | <b>24.4</b> | <b>13.6</b> | 24.0       | 14.9      | <b>(130)</b>  |
| Water Management Solutions         | <b>9.6</b>  | <b>5.7</b>  | 13.6       | 8.5       | <b>(280)</b>  |
| Sustainable Building Solutions     | <b>59.9</b> | <b>24.3</b> | 54.4       | 23.5      | <b>80</b>     |
|                                    | <b>93.9</b> | <b>15.8</b> | 92.0       | 16.6      | <b>(80)</b>   |
| Other**                            | <b>0.5</b>  | <b>7.2</b>  | 0.2        | 2.8       | <b>440</b>    |
| <b>Total Group</b>                 | <b>94.4</b> | <b>15.7</b> | 92.2       | 16.4      | <b>(70)</b>   |

\* Return on sales (ROS) is equivalent to underlying operating margin (underlying operating profit/revenue).

\*\* Relates to Polypipe Italia SRL which did not form part of the Group's strategic Business Units in 2024 and 2025 but will form part of the Water Division for 2026 onwards.



### Climate Management Solutions

The Climate Management Solutions (CMS) Business Unit is focused on addressing the need for clean, healthy air and low-carbon heating and cooling.

Revenue of £178.9m (2024: £161.6m) in CMS increased by 10.7% versus 2024 (5.9% on a like-for-like basis), reflecting strong year-on-year growth in ventilation, more than offsetting softness in underfloor heating, with a resilient performance in water filtration.

CMS reported an underlying operating margin of 13.6% in 2025, 130 basis points lower than 2024. Growth in ventilation margins year-on-year and gains from GBS in water filtration were offset by lower margins from underfloor heating.

Integration of the Monodraught ventilation business (acquired in August 2025) is proceeding well, with a focus on go-to-market strategy and sales synergies. Monodraught is a market leader in hybrid ventilation systems and is positioned to capitalise on regulatory and structural drivers related to energy efficiency and cleaner, healthier air in the nation's schools and higher education establishments.

Going forward, the Group will refer to this segment as the Climate Division. The Climate Division will benefit from the evolution in regulations and standards for homes and buildings that aim to decarbonise the built environment and adapt to climate change.



### Water Management Solutions

The Water Management Solutions (WMS) Business Unit enables the upgrade of the stormwater and wastewater infrastructure to adapt to increasingly extreme rainfall patterns and address the demand for re-greening urban areas and increasing biodiversity.

Revenue of £169.5m (2024: £160.9m) in WMS increased by 5.3% versus 2024 (0.5% on a like-for-like basis), reflecting a resilient performance in civils, growth in blue-green roofs and stormwater attenuation sales.

WMS reported an underlying operating margin of 5.7% during the year, representing a 280 basis points decline versus prior year, but with margin increasing from 4.6% in H1 to 6.7% in H2 as a result of pricing and cost actions, as well as the deployment of GBS productivity improvements.

The WMS medium-term growth strategy is underpinned by focused commercial activity and product solutions. Going forward in 2026, WMS will be reported as part of the Water Division. The combined Water Division expects to benefit from changes in water management, biodiversity legislation, more effective rainwater collection and reuse, and attenuation of flooding and stormwater runoff in an environment where extreme rainfall events are more prevalent than ever.



### Sustainable Building Solutions

The Sustainable Building Solutions (SBS) Business Unit provides its customers with a range of market-leading products in plumbing and water supply, drainage and other building accessories that enable the decarbonisation of the built environment, the collection and conservation of water in an environment of increasing scarcity, and provides solutions that reduce labour requirements in an economy where skills shortages are prevalent.

SBS delivered revenue of £246.8m (2024: £231.7m), 6.5% higher than prior year (3.3% on a like-for-like basis).

Despite market-driven volume challenges, underlying operating profit margin improved by 80 basis points, driven primarily by effective cost management and the impact of GBS projects on productivity and efficiency.

Integration of the acquired Davidson Holdings businesses is proceeding well, and the three acquired businesses are expected to generate over 20% underlying operating profit in 2026, in line with the Group's medium-term profit target.

Going forward, SBS will be reported as part of the newly formed Water Division.



### Acquisitions

#### Monodraught

On 29 August 2025, the Group acquired 100% of the voting rights and shares of Monodraught Topco Limited ('Monodraught') for an enterprise value of £55.6m on a debt-free and cash-free basis, fully funded via the Group's existing debt facilities. Monodraught is a UK market leader in solutions covering the design, manufacture, commission and maintenance of sustainable ventilation, cooling and heating solutions for new and refurbished commercial buildings, with advanced controls and data management capability and a strong presence in the education sector.

#### Davidson Holdings

On 26 September 2025, the Group acquired 100% of the voting rights and shares of Davidson Holdings Limited ('Davidson'), a group of three businesses, for an enterprise value of £49.0m on a debt-free and cash-free basis, fully funded via the Group's existing debt facilities. The businesses comprise leading brands in the plumbing and heating sectors, including Salamander, Cistermiser & Keraflo and Talon. These brands have strong market positions, primarily in the UK repair, maintenance and improvement sectors of the residential and commercial segments, and benefit from sustainability-led growth drivers.

## Non-underlying items

Non-underlying items decreased to £24.7m (2024: £33.0m) before tax. These included non-cash amortisation of £13.7m (2024: £14.4m), restructuring costs of £5.1m to complete targeted actions to increase the efficiency of operations and reduce the cost base, and acquisition related costs of £3.1m. The prior year included non-cash impairment charges of £12.4m in respect of the Adey business, which had encountered prolonged delays to recovery in market conditions, and no further impairment has been identified in the current year.

In November 2025, the Group began a process to divest Polydeck Limited within the next 12 months; therefore, this business is held-for-sale as at 31 December 2025. This resulted in a one-off Polydeck customer relationship impairment of £1.2m and a fair value adjustment of £0.3m to property, plant and equipment.

The Group incurred £1.3m of costs associated with cloud-based systems transformation. The Group expects this investment to increase in the coming years as it modernises core systems and transforms the management of data, with the goal of transforming operational efficiency and productivity, in combination with the Genuit Business System and enabling future artificial intelligence (AI) based automation.

Non-underlying items comprised:

|   | 2025<br>£m  | 2024<br>£m  |
|---|-------------|-------------|
| <b>Non-underlying items</b>                               |             |             |
| Amortisation of intangible assets                         | 13.7        | 14.4        |
| Impairment of goodwill                                    | –           | 12.4        |
| Impairment of intangible assets held-for-sale             | 1.2         | –           |
| Impairment of property, plant and equipment held-for-sale | 0.3         | –           |
| Impairment of right-of-use property                       | 0.2         | –           |
| Unwind of inventory fair value adjustments                | 1.5         | –           |
| Restructuring costs                                       | 5.1         | 1.8         |
| Acquisition related costs                                 | 3.1         | 1.1         |
| Systems and transformation costs                          | 1.3         | 1.1         |
| Software supplier dispute                                 | –           | 4.3         |
| Employment matters  | –           | (1.1)       |
| Product liability claim                                   | (0.2)       | 0.1         |
| Profit on disposal of property, plant and equipment       | (1.5)       | (1.1)       |
| <b>Non-underlying items before taxation</b>               | <b>24.7</b> | <b>33.0</b> |
| Tax effect on non-underlying items                        | (5.3)       | (5.4)       |
| <b>Non-underlying items after taxation</b>                | <b>19.4</b> | <b>27.6</b> |

## Exchange rates

The Group trades predominantly in Sterling but has some revenue and costs in other currencies, mainly the US Dollar and the Euro, and takes appropriate forward cover on these cash flows using forward currency derivative contracts, in accordance with its hedging policy.

## Finance costs

Underlying net finance costs decreased to £11.5m (2024: £12.9m), primarily due to lower interest rates during 2025 than 2024, offset by higher net debt post August 2025 due to acquisitions. Group net debt, excluding lease liabilities, increased from £101.6m as at 31 December 2024 to £179.3m as at 31 December 2025, with a corresponding increase in net debt to EBITDA leverage from 0.9 times to 1.5 times. Interest cover was 9.7 times for the year (2024: 8.3 times).

During the year, interest was payable on the RCF at SONIA, plus an interest rate margin ranging from 1.425% to 1.825%. The interest rate margin at 31 December 2025 was 1.825% (2024: 1.625%).

## Pensions

The Group does not have any defined benefit pension schemes and only has defined contribution pension arrangements in place. Pension costs for the year amounted to £9.1m (2024: £6.3m), reflecting the full year impact of the introduction of a salary sacrifice scheme in July 2024 and increased up-take enhancing our employee value proposition.

## Taxation

### Underlying taxation

The underlying tax charge in 2025 was £18.3m (2024: £18.2m), representing an effective tax rate of 22.1% (2024: 23.0%). This was below the composite UK standard tax rate of 25.0% (2024: 25.0%) due to the benefit of Patent Box relief.

### Taxation on non-underlying items

The non-underlying taxation credit of £5.3m (2024: £5.4m) represents an effective rate of 21.5% (2024: 16.4%).

## Earnings per share

|                           | 2025<br>Pence | 2024<br>Pence |
|---------------------------|---------------|---------------|
| <b>Earnings per share</b> |               |               |
| Basic                     | 18.2          | 13.5          |
| Underlying basic          | 26.0          | 24.6          |
| Diluted                   | 17.8          | 13.3          |
| Underlying diluted        | 25.4          | 24.3          |

The Directors consider that the underlying basic earnings per share (EPS) measure provides a better and more consistent indication of the Group's underlying financial performance and more meaningful comparison with prior and future periods to assess trends in our financial performance.

Underlying basic EPS increased by 5.7% in 2025.

## Dividend

The final dividend of 8.7 pence (2024: 8.4 pence) per share is being recommended for payment on 3 June 2026 to shareholders on the register at the close of business on 1 May 2026, in line with the Group's progressive dividend policy. The ex-dividend date will be 30 April 2026. The full-year dividend of 12.9 pence per share reflects the strength of the balance sheet and the Board's confidence in the Group's medium-term strategy.

The Group aims to pay a progressive dividend, based on dividend cover of 2.0 times or greater, over the business cycle. The Directors intend that the Group will pay the total annual dividend in two tranches, an interim dividend and a final dividend, announced at the time of publication of the interim and preliminary results.

## Balance sheet

The Group's balance sheet is summarised below.

|  | 2025<br>£m | 2024<br>£m |
|--|------------|------------|
| Property, plant and equipment  | 191.4      | 183.7      |
| Right-of-use assets  | 29.1       | 27.0       |
| Goodwill   | 509.6      | 451.5      |
| Other intangible assets  | 163.4      | 128.7      |
| Net working capital  | 33.8       | 27.3       |
| Taxation   | (57.2)     | (45.8)     |
| Other current and non-current assets and liabilities                                     | 0.9        | (0.2)      |
| Net debt (loans and borrowings, and lease liabilities, net of cash and cash equivalents) | (208.1)    | (129.2)    |
| Net assets   | 662.9      | 643.0      |

The net value of property, plant and equipment has increased by £7.7m, with continued investment in targeted capital expenditure.

## Cash flow and net debt

The Group's cash flow statement is summarised below.

|   | 2025<br>£m    | 2024<br>£m |
|---|---------------|------------|
| Operating cash flows before movement in net working capital   | 112.5         | 106.5      |
| Add-back non-underlying cash items  | 12.3          | 12.7       |
| Underlying operating cash flows before movement in net working capital  | 124.8         | 119.2      |
| Movement in net working capital   | 1.6           | 9.0        |
| Underlying cash generated from operations (before net capital expenditure)  | 126.4         | 128.2      |
| Net capital expenditure excluding non-underlying proceeds of sale   | (29.7)        | (26.0)     |
| Settlement of lease liabilities   | (9.6)         | (10.6)     |
| Underlying cash generated from operations after net capital expenditure excluding non-underlying proceeds of sale | 87.1          | 91.6       |
| Income tax paid   | (11.9)        | (10.4)     |
| Interest paid   | (9.7)         | (11.4)     |
| Interest received   | 0.9           | –          |
| Non-underlying proceeds of sale   | 2.1           | 4.9        |
| Other non-underlying cash items   | (12.3)        | (12.7)     |
| Settlement of deferred and contingent consideration   | –             | (1.6)      |
| Debt issue costs  | (0.4)         | –          |
| Acquisition of businesses net of cash at acquisition  | (105.6)       | (5.2)      |
| Dividends paid  | (31.3)        | (30.8)     |
| Proceeds from exercise of share options net of purchase of own shares   | 3.8           | 0.8        |
| Other   | (0.4)         | (0.9)      |
| <b>Movement in net debt – excluding IFRS 16</b>   | <b>(77.7)</b> | 24.3       |
| Movement in IFRS 16   | (1.2)         | (3.3)      |
| <b>Movement in net debt – including IFRS 16</b>   | <b>(78.9)</b> | 21.0       |

Delivery of strong cash generation remains core to the Group's strategy. The Group's pre-capex underlying operating cash conversion was 102.0% (2024: 107.6%), calculated as underlying operating cash flow divided by underlying EBITDA.

A positive working capital movement in the year was achieved through lower levels of inventory and improved debtor position, achieved through strategic buying and improvements generated by GBS. In 2026, the Group will focus on continuing to achieve over 90% pre-capex operating cash conversion.

Net capital expenditure investment (excluding non-underlying proceeds of sale) increased to £29.7m (2024: £26.0m). The Group has continued to focus on investing in targeted manufacturing facility development, capacity and key strategic and innovative projects.

## Financing

Net debt of £208.1m (2024: £129.2m) comprised:

|  | 2025<br>£m     | 2024<br>£m |
|--|----------------|------------|
| Bank borrowings  | <b>(225.0)</b> | (146.5)    |
| Cash and cash equivalents  | <b>44.8</b>    | 43.6       |
| Net debt (excluding unamortised debt issue costs)                                  | <b>(180.2)</b> | (102.9)    |
| Unamortised debt issue costs   | <b>0.9</b>     | 1.3        |
| IFRS 16  | <b>(28.8)</b>  | (27.6)     |
| Net debt   | <b>(208.1)</b> | (129.2)    |
| Net debt (excluding IFRS 16 and unamortised debt issue costs):<br>pro-forma EBITDA | <b>1.5</b>     | 0.9        |

On 22 July 2025, the Group exercised the option to extend the Sustainability-Linked Revolving Credit Facility (RCF) to 9 August 2028, securing a facility of £310.3m to August 2027 and £285.6m to August 2028, with an uncommitted accordion facility of up to £50.0m. Subsequently, an agreement was signed on 25 September 2025 that increased the committed RCF facility to £350.0m for the term. At 31 December 2025, the amount drawn on the RCF was £175.0m (2024: £121.5m).

On 24 September 2025, the Note Purchase and Private Shelf Agreement, originally dated 10 August 2022, was amended and restated, extending the uncommitted facility to 9 August 2028 for an amount of \$180.0m, c.£133m (previously £125.0m). The Group has £25.0m issued loan notes from the original agreement dated 10 August 2022, with a repayment date of 9 August 2029. On 20 October 2025, a further £25.0m of loan notes were issued from the amended shelf agreement, with a repayment date of 20 October 2032, leaving an uncommitted facility of c.\$145m at 31 December 2025 (c.£107m).

The Group is subject to two financial covenants. At 31 December 2025, there was significant headroom. Facility interest cover and net debt to EBITDA (leverage) covenants were comfortably achieved:

| Covenant       | Covenant requirement | Position at 31 December 2025 |
|----------------|----------------------|------------------------------|
| Interest cover | >4.0:1               | <b>9.7:1</b>                 |
| Leverage       | <3.0:1               | <b>1.5:1</b>                 |

## Going concern

The Group continues to meet its day-to-day working capital and other funding requirements through a combination of long-term funding and cash deposits. The Group's bank financing facilities consist of a £350.0m Sustainability-Linked RCF until August 2028, with an uncommitted accordion facility of up to £50.0m. In addition, there are two seven-year private placement loan notes of £25.0m each, with an uncommitted c.£107m shelf facility. At 31 December 2025, liquidity headroom (cash and undrawn committed banking facilities) was £219.8m (2024: £272.1m).

The Group's focus will continue to be on de-leveraging, and its net debt to EBITDA ratio stood at 1.5 times pro-forma EBITDA at 31 December 2025 (2024: 0.9 times). This headroom means the Group is well positioned, with a strong balance sheet.

As a result, the Directors have satisfied themselves that the Group has adequate financial resources to continue in operational existence for a period of 22 months to 31 December 2027. Accordingly, they continue to adopt the going concern basis in preparing the consolidated financial statements.

## Forward-looking statements

This report contains various forward-looking statements that reflect management's current views with respect to future events and financial and operational performance. These forward-looking statements involve known and unknown risks, uncertainties, assumptions, estimates and other factors, which may be beyond the Group's control, and which may cause actual results or performance to differ materially from those expressed or implied from such forward-looking statements. All statements (including forward-looking statements) contained herein are made and reflect knowledge and information available as of the date of preparation of this report, and the Group disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements, due to the inherent uncertainty therein. Nothing in this report should be construed as a profit forecast.

**Tim Pullen**  
Chief Financial Officer

10 March 2026

# Sustainability

Sustainability is at the heart of our business, and our targets provide the framework for driving improvements

## Climate change target

We are committed to reducing the greenhouse gas emissions from our operations and products by focusing on reducing overall emissions without resorting to carbon offsetting and reaching net-zero by 2050

# Net-zero

90% reduction of absolute scopes 1, 2 & 3 emissions by 2050 from 2021 baseline year

# 30%

reduction of absolute scopes 1 & 2 emissions by 2027 from 2021 baseline year

# 66%

reduction in CO<sub>2</sub>e emissions intensity by 2025 from a 2019 base year (scopes 1 & 2)

## Circular economy target

We want to continue to lead the industry in our usage of recycled polymers, as well as a focus on reducing our own waste, to become a zero-to-waste operation

# 62%

of our polymer tonnage is to be from recycled inputs by 2025



## Sustainable solutions target

Given our focus on growth drivers are linked to the sustainability agenda, we recognise that these challenges will only be met by developing new products, produced in the most sustainable ways

# 25%

of our revenue coming from products launched within the preceding five years by 2025



## Our people target

We recognise the contribution that a diverse group of colleagues makes to the achievement of our goals. We also believe that providing development pathways in the workplace is a key enabler of social mobility

# 5%

of colleagues to be in accredited Earn and Learn programmes by 2025



At Genuit Group, we enable our customers to create a more sustainable built environment by providing the solutions they need to future-proof places that support thriving communities and growing economies.

Expectations of the built environment to solve the urgent challenges facing our infrastructure, buildings, communities and planet have never been greater. Across the Group, we are dedicated to creating sustainable solutions, fostering sustainable practices and reducing carbon emissions across our operations as we pave the way towards a greener, more resilient built environment. We do this by becoming a sustainable, low-carbon business ourselves, as well as delivering sustainable solutions at scale.

Society must cater for more frequent bouts of extreme rainfall, and deliver the transition to lower-carbon heating and cooling. The Group is focused on addressing and supporting this transition. We want to be the lowest-carbon supplier of choice for our customers, and by driving carbon out of our businesses and the supply chain we are making this a reality (see page 40 for further details). Our 2021 to 2025 Sustainability Framework set our short-term agenda on sustainability and showcases the significant progress we have made over that period (further information can be found on page 34). As set out on page 36, we have produced a new materiality assessment to inform our updated and revised sustainability targets, as the 2021-2025 framework has matured.

The Group have near-term and 2050 targets that were approved by the Science Based Target initiative (SBTi). As part of this process, we have committed to reducing our scopes 1 & 2 greenhouse gas (GHG) emissions of 30% by 2027 from a 2021 baseline year.

This goes beyond the already significant reductions achieved; in scopes 1 & 2 emissions between 2019 and 2025, we achieved reductions approaching 70%.

Scope 3 GHG emissions from the goods and services we purchase form the second largest category. In this area, we recognise the key role that our supply chain plays and therefore, we engage with our suppliers so that they reduce their carbon impact, which, in turn, supports the Group strategy. By 2027, we will ensure that the suppliers who account for 83% of our purchased goods and services emissions will have science-based carbon reduction targets in place. Going further, the Group has also committed to long-term reductions in GHG emissions by 2050 of 90%.

Scope 3 GHG emissions associated with the use of sold products for example electricity consumed over the life of the product, is the largest category, following a re-assessment in 2025. In this area, we have focused on providing energy efficient products and solutions that displace higher-carbon alternatives, for example, Air Source Heat Pumps and Mechanical Ventilation and Heat Recovery units that can exhibit lower carbon emissions during their operation than, a natural gas boiler.



Carbon emissions avoided through biodiesel use

978

tonnes of carbon avoided during 2025 through the use of biodiesel. This compares to 262 tonnes avoided through the use of biodiesel in 2024.

The Group has adopted a manufacturing approach based upon circular economy principles, minimising the consumption of raw materials and maximising the re-use of so-called 'waste materials'. We envisage a future where fewer resources are discarded and, instead, re-purposed or recycled. We aim to maintain our high proportion of production of new products using recycled materials that have already served their initial purpose within the economy and society, reducing reliance on virgin materials. In moving to a circular economy, there will be a reduction in the use of virgin materials, and, as a consequence, society will benefit from a reduction in waste destined for disposal, a reduction in materials lost into the environment, and a reduction in carbon impact (CO<sub>2</sub>e emissions), as the majority of embedded carbon in products is associated with the first use of virgin materials (plastic, cement, steel and aluminium).

We have embraced this circular economy approach by prioritising the use of recycled polymers at our manufacturing facilities, and establishing targets to maximise their utilisation.

Consequently, by increasing our use of recycled polymers to support a transition to a circular economy, we not only reduce our supply chain's carbon footprint but also achieve a significant reduction in our scope 3 GHG emissions. Recycled polymers generally exhibit lower embedded carbon compared to virgin materials and, in some cases, this can be up to 90% lower. On page 39 we share a case study of how this works in practice.

# Our sustainability framework 2021-2025

|                  | Advancing the circular economy   | Developing sustainable solutions  | Tackling climate change   | Investing in an engaged and diverse workforce  |
|------------------|--|---|---|--|
| Our 2025 targets | <p><b>62%</b></p> <p>of our polymer tonnage is to be from recycled inputs. This represents the current available ceiling, given the standards regimes governing the use of recycled materials.</p>   | <p><b>25%</b></p> <p>of our revenue coming from products launched within the preceding five years (Vitality Index).</p>   | <p><b>66%</b></p> <p>reduction in CO<sub>2</sub>e emissions intensity from a 2019 base year (scopes 1 &amp; 2).</p>   | <p><b>5%</b></p> <p>of colleagues to be in accredited Earn and Learn programmes.</p>   |
| 2024 achievement | <b>52.0%</b>   | <b>18.0%</b>  | <b>54.4%</b>  | <b>18.5%</b>   |
| Our progress     | <p>Our use of recycled polymers decreased to 50.6% of our total tonnage consumption in the year, due in part to a machine processing issue in the second half of 2025.</p> <p>Over the five-year period, we have made strong progress in the use of recycled polymers. We continue to prioritise reductions in embedded carbon alongside the use of recycled polymers to achieve the optimum balance and positive sustainability outcome. The result below excludes current-year acquisitions.</p> | <p>The result was impacted by high-value innovations moving out of the five-year qualifying window. These will be replaced, but this will take time to deliver.</p> <p>We continue to focus on product innovation in order to deliver improvements in our product offerings and sustainability performance.</p> <p>The result below excludes current-year acquisitions.</p> | <p>2025 saw a significant improvement in carbon intensity, driven by actions taken to increase the use of biodiesel, as outlined on page 33. As a result, we have achieved a significant reduction in carbon intensity between 2021 and 2025.</p> <p>We also saw a reduction in energy consumption by 1.6%.</p> <p>Renewable electricity purchases increased from 96.3% to 98.7%.</p> | <p>We continued our fantastic progress by maintaining our focus on employee learning, apprenticeships and graduate programmes.</p> |
| 2025 achievement | <p><b>Recycled materials</b></p> <p><b>50.6%</b></p>   | <p><b>Vitality Index</b></p> <p><b>16.4%</b></p>  | <p><b>Carbon reduction (intensity) Cumulative reduction of</b></p> <p><b>61.6%</b></p>  | <p><b>Percentage in Earn and Learn programmes</b></p> <p><b>18.9%</b></p>  |

# Our sustainability framework 2026–2030

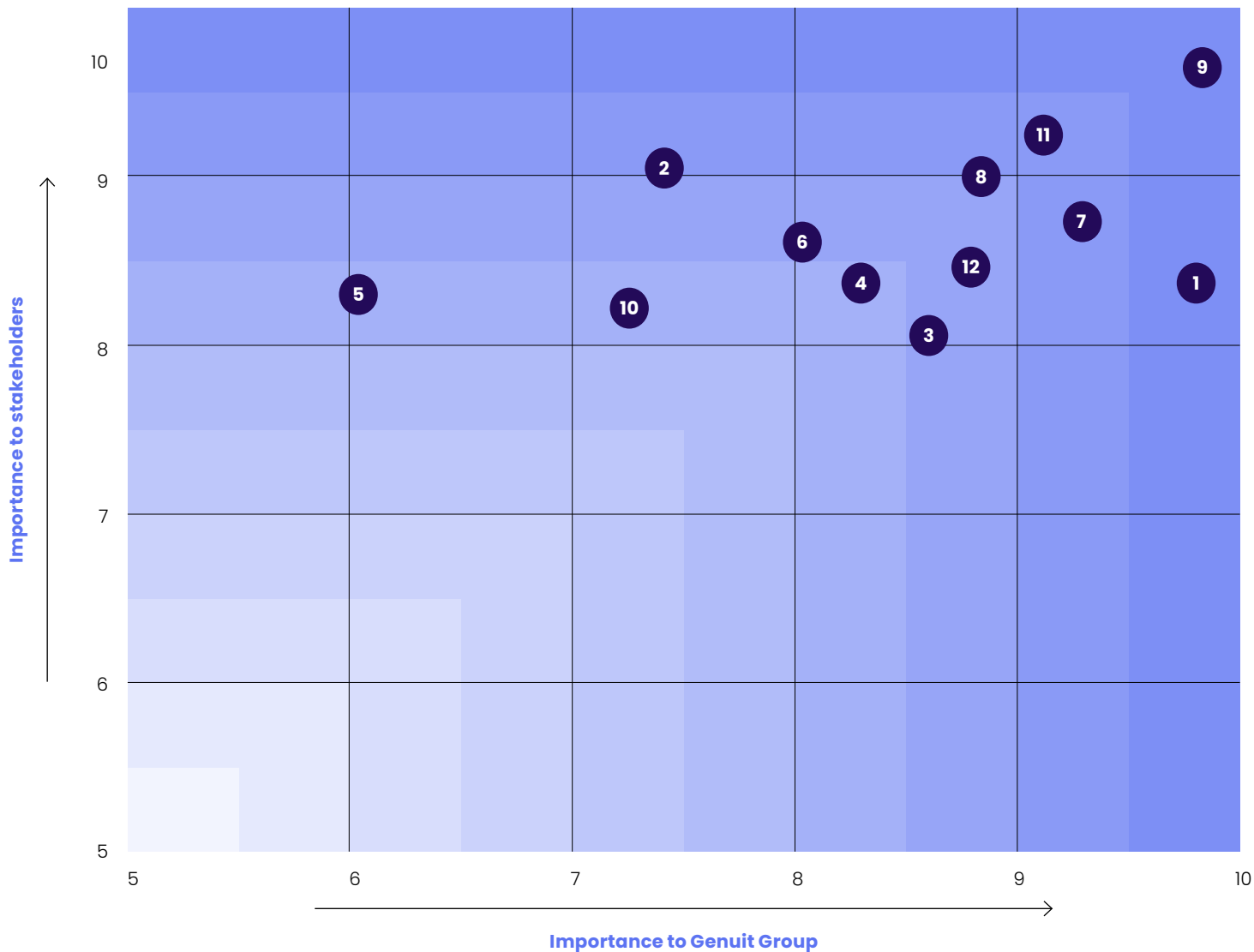
## Sustainability materiality assessment

The Group will drive the transition towards a more resilient and sustainable built environment.

As UK and global regulatory standards, such as the Corporate Sustainability Reporting Directive (CSRD) and International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards continue to evolve, organisations must prioritise the environmental, social, and governance (ESG) issues that most significantly impact their businesses and the world at large. To assist in the prioritisation of ESG topics, a materiality assessment is often used to support the setting of ESG priorities and targets. A sustainability materiality assessment is a strategic process that is used to identify and prioritise the ESG issues that are most significant to their operations and stakeholders.

During the year, the Group prepared a materiality assessment covering a wide range of topics based on the European Union’s CSRD criteria, with supplementary topics specific to Genuit’s context. The assessment was completed by a range of internal and external stakeholders, including employees, suppliers, customers, regulators and other stakeholders. The CSRD requirements did not apply to the Group in the reporting period. The results are presented opposite and have been used in the development of the new Sustainability Framework.

[Read more page 36](#)



**Key**

- 1 Climate change
- 2 Pollution
- 3 Water use and discharges
- 4 Raw materials
- 5 Land use
- 6 Biodiversity and ecosystem
- 7 Product safety and sustainability
- 8 Human rights and ethics
- 9 Workplace safety
- 10 Local communities
- 11 Data privacy
- 12 Governance



**Post-2025 Sustainability Framework**

The Group has implemented and reported against a range of sustainability metrics for many years, helping to shape the direction of the business and reduce its environmental impact.

The previous target period matured in 2025 where we delivered strong progress across a range of topics, as outlined on page 34. To support and guide our continued progress towards a more sustainable future, we have updated our KPIs and reporting metrics covering a range of ESG topics. These revised KPIs and metrics were devised by taking into account a wide range of stakeholder priorities through benchmarking, direct discussions and were informed by the materiality assessment. These KPIs and reporting metrics position the Group as a leader in decarbonisation and circular economy practices within the building products and services sector.

Relevance of metric to strategic theme (with 5 being most relevant)



| Category      | Metric Topic                     | Metric Description   | Growth | Sustainability | GBS | People |
|---------------|----------------------------------|--|--------|----------------|-----|--------|
| Environmental | Scopes 1 & 2 GHG emissions       | Reduction in absolute scopes 1 & 2 GHG emissions   | 5      | 5              | 1   | 5      |
|               | Scope 3 category 1 GHG emissions | Reduction in absolute scope 3 category 1 GHG emissions   | 5      | 5              | 1   | 5      |
|               | Renewable energy use             | Percentage of annual purchased electricity sourced from renewable sources  | 5      | 5              | 1   | 5      |
|               | Sustainable innovation pipeline  | Percentage of R&D projects focused on developing sustainable products, services and manufacturing processes (% measured on the number of projects) | 5      | 5              | 1   | 5      |
|               | Product life cycle analysis      | Revenue in the previous calendar year covered by product life cycle assessments  | 5      | 5              | 1   | 3      |
| Social        | Health and safety performance    | Lost Time Incident Rate (LTIR)   | 3      | 5              | 1   | 5      |
|               | Employee satisfaction            | Overall employee Engagement Survey score   | 5      | 5              | 3   | 5      |
|               | Diversity and inclusion (D&I)    | Average of inclusiveness, non-discrimination and diversity scores from the engagement survey   | 5      | 5              | 3   | 5      |
| Governance    | Board independence               | Percentage of Board members independent of material, financial, or personal relationships with the Company, its executives, or major shareholders  | 3      | 3              | 3   | 3      |

## Developing sustainable solutions

The Group's purpose is to create sustainable living by developing sustainable solutions for the built environment.

### In our businesses

We are committed to significantly reducing our carbon emissions, and achieving net-zero by 2050. In the near term, we plan to reduce our scopes 1 & 2 carbon emissions by 30%, without offsetting.

As shown in our greenhouse gas (GHG) inventory on page 41 we have reduced our scopes 1 & 2 emissions year-on-year. As part of that progressive reduction we focus on energy efficiency across the Group. To support the most energy intensive sites, we have externally certified ISO 50001 energy management systems, providing a clear focus on energy management and reduction.

The Group's absolute scopes 1 & 2 GHG emissions were 11% lower than in the 2024 reporting period. This resulted in the Group achieving an emissions intensity of 0.105 tonnes of CO<sub>2</sub>e per tonne of production during 2025, a strong performance year-on-year.

### In our solutions

Carbon emissions from the raw materials we purchase form a significant portion of our GHG inventory. In this area, we recognise the key role that our supply chain plays; therefore, we have set a target to engage with our suppliers so that they reduce their carbon impact.

We are also aware of what we can do ourselves. The transition to recycling and other low-carbon material choices will continue to play a key role for us. Using recycled polymers has a significantly lower-carbon impact than virgin polymers, and the use of recycled materials is key to increasing and enhancing the circular economy benefits that come with using materials that can be recycled, repeatedly, throughout the manufacturing process.

As part of our Sustainable Solutions for Growth strategy, we will provide solutions that are considered the most sustainable and economically viable solutions at that point in time. By offering polymer alternatives to legacy materials such as concrete or copper, we are able to offer more sustainable products than those legacy alternatives.

However, technology is not at a standstill, and we continue to invest in areas such as bio-polymers and chemical recycling, to investigate ways to raise the bar of sustainability even higher. We continue to call for product standards regimes to be less prescriptive on how products are made, without compromising on performance, and to allow for recycled content to be used in place of virgin polymers.



Lowest-carbon supplier of choice

# 57%

Life cycle analysis (LCA) revenue coverage

Over the last three years the Group has made significant progress in undertaking and publishing third party-verified Environmental Product Declarations (EPDs) and, specifically at Nuaire, a bespoke system based on the CIBSE TM65 methodology guidance. This has resulted in achieving 57% LCA coverage against product sales revenue.

# 64%

Lowest-carbon product supplier

Having a robust LCA is only part of the journey. During 2025, we undertook analysis to investigate how we are performing compared to peers on global warming potential (GWP) across a range of products. Based on the appropriate published competitor EPDs, Genuit made 546 product carbon comparisons and, of those comparisons our products were lower-carbon, as measured by GWP, in 350 instances.

# Emissions value chain

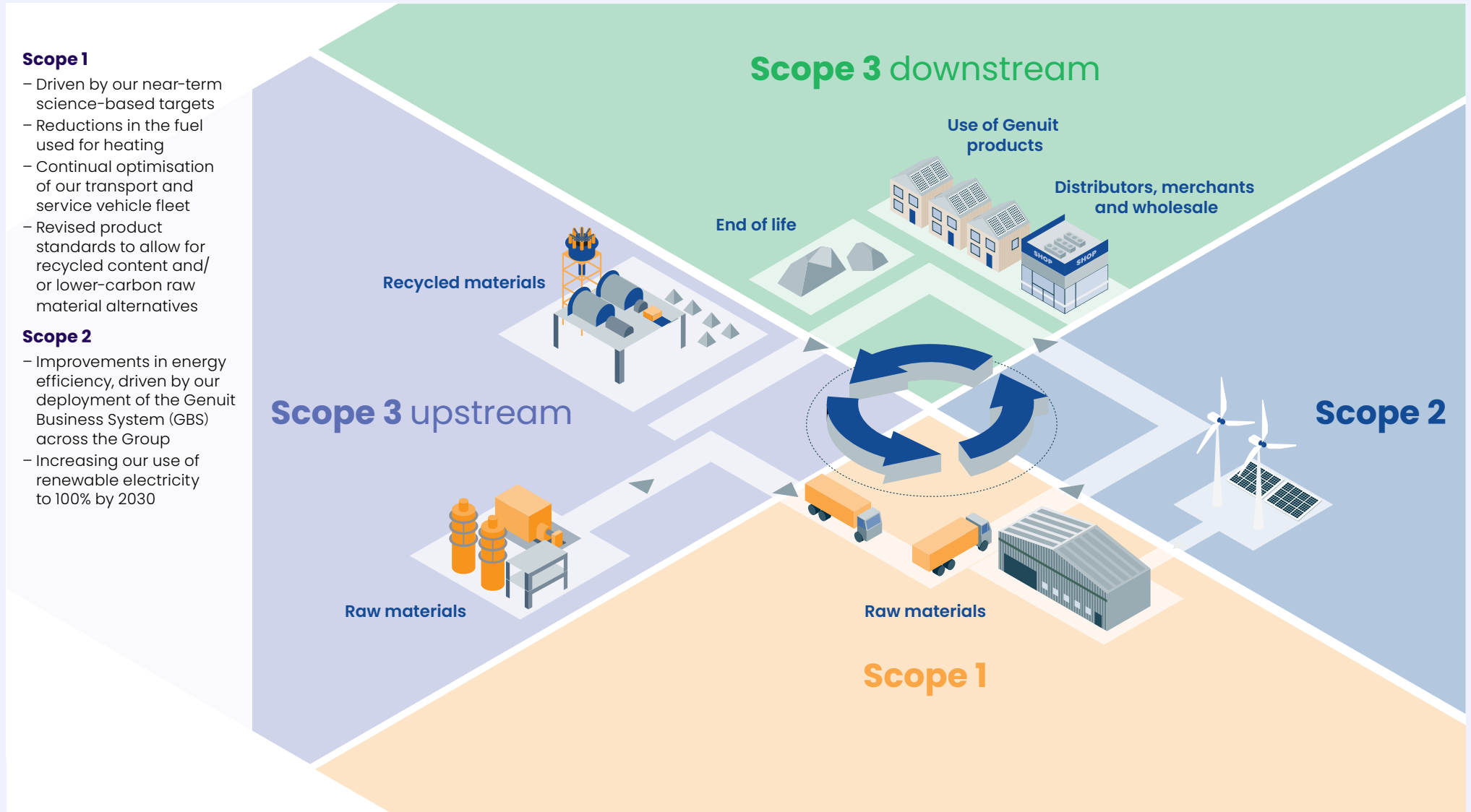
Genuit recognises the importance of the value chain in achieving our long-term net-zero targets. By overlaying our greenhouse gas inventory on our product life cycles, we can see where we need to prioritise and focus our improvement activities.

### Scope 3 upstream

- Working with our suppliers to ensure that the value chain embraces science-based targets
- Using lower-carbon raw materials
- Optimising our manufacturing processes and designs to minimise raw material use

### Scope 3 downstream

- Working with customers to optimise transport and provide pre-consumer recycling options where possible
- Supporting and driving the circular economy



### Scope 1

- Driven by our near-term science-based targets
- Reductions in the fuel used for heating
- Continual optimisation of our transport and service vehicle fleet
- Revised product standards to allow for recycled content and/or lower-carbon raw material alternatives

### Scope 2

- Improvements in energy efficiency, driven by our deployment of the Genuit Business System (GBS) across the Group
- Increasing our use of renewable electricity to 100% by 2030

Scope 3 upstream

Scope 3 downstream

Scope 2

Scope 1

# Tackling climate change

The Group has set ambitious near-term and long-term greenhouse gas (GHG) reduction targets to achieve net-zero reductions in line with the latest climate science.

We are committed to significant reductions in our carbon emissions and in achieving net-zero by 2050 and the Group's climate-related targets include a commitment to reducing emissions in the near term along with the long term. The establishment of science-based climate change targets is key to providing a robust framework to guide climate action.

Going beyond the SBTi near-term targets, and recognising the need to reduce carbon across the whole supply chain in order to achieve long-term targets, Genuit is also committed to reducing absolute scope 3 GHG emissions for our purchased goods and services, and had already achieved the 2027 target by 2023.

The Group's previously established carbon target of reducing the CO<sub>2</sub>e intensity remains a key element of our sustainability disclosure and is aligned with and complementary to our science-based targets (SBTs).

Moving forward, we will place greater emphasis on absolute carbon numbers, which is consistent with our SBTs and reflects that preference.

As described above, reducing the carbon emissions from our supply chain is an important initiative for the Group, given that 98% of our total 2025 carbon emissions fell within scope 3. By 2027, 83% of our suppliers covering 'Purchased Goods and Services' emissions will have science-based carbon reduction targets. In 2025, 32% of our emissions were from purchased goods and services supplied by partners who had an SBT. We continue to engage with our suppliers on science-based targets to support reductions in carbon emissions across the supply chain.

During 2025, the Group continued to source and use significant volumes of recycled materials, leading the sector in the use of recycled polymers, and achieving a level of 50.6% during the year. As a result, we see our EPD carbon values being some of the lowest in our sector when compared with our competitors, either in terms of like-for-like or dissimilar raw materials, driven by our focus on the circularity of materials and the decarbonisation of operations and energy.

By offering polymer alternatives, made from either recycled or virgin sources, to legacy materials such as concrete or copper, we are able to offer lower-carbon products than those legacy alternatives. In the majority of cases, we are the lowest-carbon supplier, demonstrating that the hard work to progress our EPDs is making a real difference (see page 37 for further details).



We aim to use our leadership position as a way of driving change and to ensure that our customers have access to products that will reduce their scope 3 carbon impacts. With this in mind, we are also conscious that designers, engineers and building owners need empirical evidence to allow them to make informed decisions regarding their own carbon impact.

In 2025, we disclosed our climate-related data through the Climate Disclosure Project (CDP), meaning that we have joined thousands of companies, public authorities, cities, states, and regions around the world who are committed to transparency and sustainability.

Now, more than ever, all organisations need to measure and understand their environmental impacts, surfacing the data that helps them make smarter decisions for people, the planet, and profit. Our own CDP Climate assessment score was 'B', reflecting our strong ambition to drive real change.

We leverage recycled materials to drive down the carbon intensity of our products and decrease our Group-wide GHG inventory

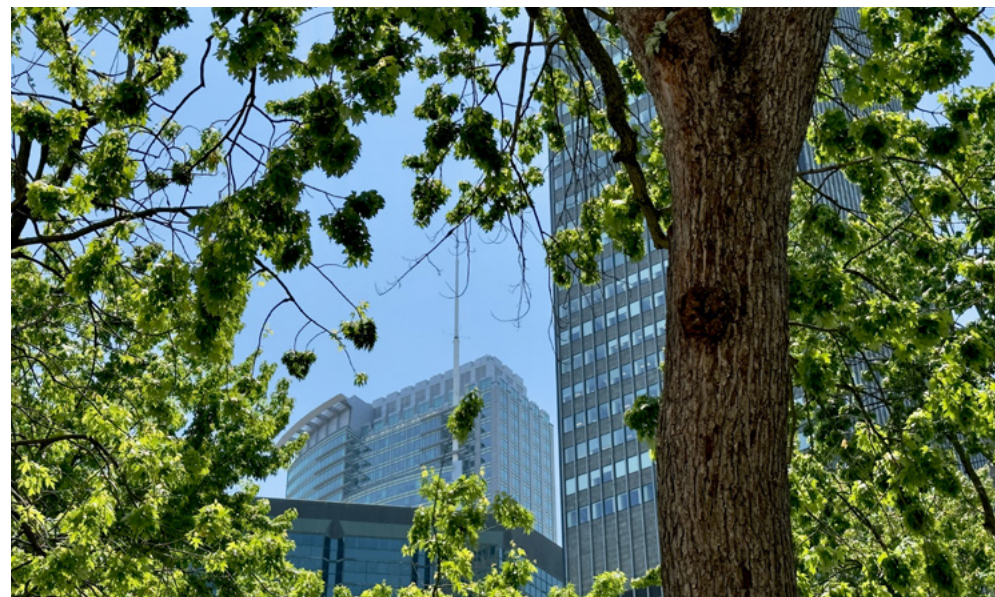
# 50,085

tonnes of carbon avoided during 2025 by utilising recycled polymers.

This total represents the difference in emissions between the recycled polymers usage in 2025 and the theoretical emissions if the same volume had been supplied from virgin polymers.

Our climate targets

| Science Based Targets initiative (SBTi) approved target   | Target value | Current performance | Target year |
|---|--------------|---------------------|-------------|
| Reduction in scopes 1 & 2 GHG emissions intensity (tCO <sub>2</sub> e/t) (versus 2019 baseline year)                                  | 66%          | 61.6%               | 2025        |
| Reduction in absolute scopes 1 & 2 GHG emissions (tCO <sub>2</sub> e) (versus 2021 baseline year)                                     | 30%          | 39.4%               | 2027        |
|   | 90%          |                     | 2050        |
| Reduction in absolute scope 3: category 1 Purchased Goods and Services GHG emissions (tCO <sub>2</sub> e) (versus 2021 baseline year) | 13%          | 38.1%               | 2027        |
| Suppliers by emissions covering purchased goods and services with science-based targets   | 83%          | 31.6%               | 2027        |
| Annual sourcing of renewable electricity  | 100%         | 98.7%               | 2030        |
| Reduction in absolute scope 3 GHG emissions (tCO <sub>2</sub> e) (versus 2021 baseline year)  | 90%          | -70.0%              | 2050        |



Genuit Group GHG inventory for 2025

We made excellent progress across all three GHG emissions scopes, with a reduction of 6% in scope 1, 63% in scope 2, and 9.9% in scope 3 category 1: Purchased Goods and Services year-on-year.

As described on page 41, due to a revision of category 1I: Use of Sold Products, overall scope 3 emissions increased versus the 2021 baseline year.

Our carbon intensity has reduced by 61.6% since the base year of 2019. Table 1 on page 41 presents our full GHG inventory, while the table shown to the left presents our progress against our climate targets.

To support our efforts to reduce scope 2 emissions, we increased our purchase of renewable electricity from 96.3% to 98.7%, as well as driving improvements in energy efficiency, where we saw a decrease of 1.6% in energy consumption.

During 2025, we increased the use of biodiesel in our Heavy Goods Vehicle fleet, supporting a reduction in scope 1 emissions.

[Read more on page 33](#)

**Table 1: Greenhouse gas inventory**

|   | Base year value 2021<br>(tCO <sub>2</sub> e) | Emissions covered by<br>targets (tCO <sub>2</sub> e) (%) | 2024 reporting value<br>(tCO <sub>2</sub> e) | 2025 reporting value<br>(tCO <sub>2</sub> e) |
|---|--|--|--|--|
| Scope 1 (tCO <sub>2</sub> e)  | 19,547                                       | 19,547 (100%)  | 13,063                                       | <b>12,278</b>                                |
| Scope 2 (market-based) (tCO <sub>2</sub> e)   | 1,487  | 1,487 (100%)   | 1,264  | <b>468</b>                                   |
| <b>Total scopes 1 &amp; 2 (market-based) (tCO<sub>2</sub>e) (ABSI)</b>  | <b>21,034</b>                                | <b>21,034 (100%)</b>                                     | <b>14,327</b>                                | <b>12,746</b>                                |
| Scope 2 (location-based) (tCO <sub>2</sub> e)   | 18,757                                       |  | 15,234                                       | <b>12,765</b>                                |
| <b>Electricity</b>  |  |  |  |  |
| <b>Total electricity use (MWh)</b>  | <b>81,102</b>                                | <b>81,102 (100%)</b>                                     | <b>71,547</b>                                | <b>70,045</b>                                |
| Electricity procurement from renewable sources (MWh)  | 76,236                                       |  | 68,926                                       | <b>69,132</b>                                |
| % of electricity from renewable sources (OI)  | 94.0%  |  | 96.3%  | <b>98.7%</b>                                 |
| <b>Scope 3 (tCO<sub>2</sub>e)</b>   |  |  |  |  |
| Category 1: Purchased Goods and Services  | 335,282                                      | 335,282 (100%)   | 230,264                                      | <b>207,573</b>                               |
| Category 2: Capital Goods   | 17,803                                       |  | 10,780                                       | <b>10,292</b>                                |
| Category 3: Fuel- and Energy-Related Activities   | 10,879                                       |  | 5,029  | <b>4,749</b>                                 |
| Category 4: Upstream Transportation and Distribution  | 9,204  |  | 8,816  | <b>12,073</b>                                |
| Category 5: Waste Generated in Operations   | 1,052  |  | 555  | <b>401</b>                                   |
| Category 6: Business Travel   | 636  |  | 1,390  | <b>1,032</b>                                 |
| Category 7: Employee Commuting  | 6,932  |  | 4,085  | <b>4,645</b>                                 |
| Category 8: Upstream Leased Assets  | n/a  |  | n/a  | <b>n/a</b>                                   |
| Category 9: Downstream Transportation and Distribution  | 6,002  |  | 7,414  | <b>10,927</b>                                |
| Category 10: Processing of Sold Products  | n/a  |  | n/a  | <b>n/a</b>                                   |
| Category 11: Use of Sold Products   | 564,766                                      |  | 387,120                                      | <b>423,289</b>                               |
| Category 12: End-of-Life Treatment of Sold Products   | 3,054  |  | 921  | <b>620</b>                                   |
| Category 13: Downstream Leased Assets   | n/a  |  | n/a  | <b>n/a</b>                                   |
| Category 14: Franchises   | n/a  |  | n/a  | <b>n/a</b>                                   |
| Category 15: Investments  | n/a  |  | n/a  | <b>n/a</b>                                   |
| Total scope 3 categories 1-15 (tCO <sub>2</sub> e)  | 395,308                                      |  | 656,374                                      | <b>675,601</b>                               |
| <b>Total scopes 1, 2 (market-based) &amp; 3 (tCO<sub>2</sub>e)</b>  | <b>976,644</b>                               |  | <b>670,701</b>                               | <b>688,347</b>                               |
| Suppliers of purchased goods and services with science-based targets (% Coverage of scope 3: category 1) (O2) | -  |  | 28%  | <b>32%</b>                                   |

Notes: a) The Group performed a full inventory assessment of its scopes 1, 2 & 3 emissions during 2025. b) 2% of the GHG inventory is based on estimates including, scope 3: category 7 which was based on an employee survey, and scope 3 category 1 where a minor amount of activity was estimated. c) Scope 3: category 2 – 7, 9, 11, 12 and 13 excludes Monodraught and the Davidson group of companies activity data. d) Following a materiality assessment, categories 8, 10, 13, 14 and 15 were not deemed relevant to the nature of the business and marked as n/a. e) Data is prepared following the GHG Protocol methodologies along with the following notes and alternative methodologies. f) Category 1 for the Nuair business is undertaken using the methodology defined in the standard 'Embodied carbon in building services: a calculation methodology CIBSE TM65: 2021'. g) Emissions of the following gases are not disclosed: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, and SF<sub>6</sub> however Genuit shows CO<sub>2</sub> equivalent emissions. h) Category 11 emissions have been restated for 2021 and 2024. i) Category 6 emissions have been restated for 2024 following a review.

**Boundary, methodology and exclusions**

In producing the 2025 energy and GHG data, we used updated emissions factors (including country specific grid intensity factors) in line with the GHG protocol and reflecting changes to those published emission factors.

An 'operational control' approach has been used to define the GHG emissions boundary. This approach captures the emissions associated with the operation of all Group buildings, such as warehouses, offices, and manufacturing sites, and Company-owned transport. This information was collected and reported in line with the methodology set out in the UK Government's Environmental Reporting Guidelines. Emissions have been calculated using the latest conversion factors provided by the UK Government or other appropriate agency. The reporting period is from 1 January to 31 December. There are no material omissions from the mandatory reporting of scopes 1 & 2 emissions and include the acquired businesses of Monodraught and the Davidson group of companies from the time of acquisition.

We have obtained limited assurance over our 2025 scope 1 GHG emissions, scope 2 GHG emissions (locations- market-based) and GHG intensity (scopes 1 & 2) per tonne of production data from Ernst & Young LLP; [the GHG Assurance Report can be found on the Company's website](#).

The reporting of scope 3 emissions is in line with the GHG protocol. Scope 3 data for Monodraught and the Davidson group of companies, which were both acquired in September 2025, have not been included. These will be included and reported in our scope 3 reporting for 2026. As reported in our Annual Report and Accounts 2024, Sky Garden and Omnie & Timoleon were omitted from scope 3 disclosures in 2024 and have been successfully integrated into our scope 3 reporting for the full calendar year of 2025.

Following a re-assessment with a third party, category 11 emissions for 2021 and 2024 have been restated, with the updated methodology being used for 2025. Category 6 had a restatement for 2024. These resulted in an increase in emissions in the relevant years.

### Energy use and reporting

We aim to minimise the impact of our operations on the environment, and sustainability is a key feature of our products and their associated impact.

Our injection moulding and extrusion operations use significant amounts of electricity. We monitor our electricity usage very closely, even at a machine level, and take a proactive approach to improving energy efficiency. Based on the type and nature of our production processes, energy and carbon emissions are some of our largest environmental impacts.

The following tables detail the energy consumption and GHG emissions from the activities of the Group during the period from 1 January 2025 to 31 December 2025. Our total GHG emissions, reportable under Streamlined Energy and Carbon Reporting (SECR) during the period specified above, were 14,138 tonnes CO<sub>2</sub>e. This figure has been derived using the UK Government’s most recent GHG Conversion Factors for Company Reporting (2025) and other appropriate emission factors. This is in line with standard industry practice and allows fair comparison with other UK businesses. The scope 3 emissions presented in Table 3 include transmission and distribution (T&D) losses and emissions from business travel in private vehicles (grey fleet), in line with previous submissions.

A full scope 3 inventory is presented in Table 1 on page 41.

The Group’s SECR reported that scopes 1, 2 & partial scope 3 (grey fleet and T&D losses) GHG emissions were 10.6% lower than in the 2024 reporting period. This resulted in the Group achieving an emissions intensity of 0.105 tonnes of CO<sub>2</sub>e per tonne of product during 2025.

### Energy efficiency initiatives and SECR reporting

The UK’s Streamlined Energy and Carbon Reporting Regulations (SECR) require companies to provide information in our Directors’ Report on the energy efficiency initiatives carried out during the financial year. A number of our production sites operate an energy management system certified to the international standard ISO 50001, and we have production sites that are included in the UK Government Climate Change Agreement (CCA) scheme. During 2025, the business complied with the UK’s Energy Savings Opportunity Scheme (ESOS) Phase 3 compliance deadline, with site-based energy audits and the identification of energy-saving projects. These, along with CCA audits and the continuous improvement required by ISO 50001, have given the sites and the Group a wide range of energy reduction programmes to take forward in the short term.

During 2025, we achieved a reduction of 1.6% in energy consumption (see Table 4).

Our focus on reducing scopes 1 & 2 emissions, measured by absolute emissions and emissions intensity, alongside the Genuit Business System, and energy efficiency programmes are supporting improvements in both carbon emissions reduction and improvements in energy efficiency.

UK legislation requires the public reporting of scopes 1 & 2 emissions, with the reporting of scope 3 emissions for quoted companies being optional. Tables 2 and 3 present limited scope 3 emissions resulting from the losses associated with the use of grid electricity and grey fleet use, in order to maintain year-on-year comparisons. Full reporting of scope 3 emissions is shown in Table 1 on page 41.



**Table 2: Group GHG emissions (tonnes CO<sub>2</sub>e) by source and reporting period for SECR reporting**

| Source   | 2025          | 2024   | Change | Percentage share |
|--|---------------|--------|--------|------------------|
| Fuel combustion (stationary)                     | <b>3,957</b>  | 3,836  | 3.2%   | 27.9%            |
| Fuel combustion (mobile)                         | <b>8,315</b>  | 9,390  | 11.5%  | 58.8%            |
| Fugitive emissions (F-gas)                       | <b>6</b>      | 57     | 89.2%  | 0.04%            |
| Purchased electricity, T&D losses and grey fleet | <b>1,860</b>  | 2,536  | 26.7%  | 13.2%            |
| <b>Total emissions (tCO<sub>2</sub>e)</b>        | <b>14,138</b> | 15,819 | 10.6%  | 100%             |

The 2025 emissions figure for purchased electricity given above (and used throughout) reflects our investment in a zero-carbon electricity tariff for the majority of the estate. In the terms of the GHG Protocol, this is called ‘market-based’ reporting, as opposed to ‘location-based’ reporting. Location-based reporting does not take into account the electricity supply contracts that a company has and instead uses a national carbon emissions factor for electricity. Following the location-based methodology (which is required to be reported under SECR regulations alongside market-based figures), our 2025 emissions from electricity were 12,765tCO<sub>2</sub>e (excluding transmission and distribution (T&D) losses and grey fleet), giving total emissions of 25,043tCO<sub>2</sub>e and an intensity of 0.206tCO<sub>2</sub>e per tonne of production – a 20.3% reduction year-on-year.

**Table 3: Group GHG emissions (tonnes CO<sub>2</sub>e) by scope and reporting period for SECR reporting**

| Emissions scope  | 2025           | 2024    | Change | Percentage share |
|--|----------------|---------|--------|------------------|
| Scope 1  | <b>12,278</b>  | 13,063  | 6.0%   | 86.84%           |
| Scope 2  | <b>468</b>     | 1,264   | 63.0%  | 3.31%            |
| Scope 3 (limited scope)*                               | <b>1,392</b>   | 1,492   | 6.7%   | 9.85%            |
| Total emissions (tCO <sub>2</sub> e) SECR*             | <b>14,138</b>  | 15,819  | 10.6%  | 100%             |
| Total emissions (tCO <sub>2</sub> e) of scopes 1 & 2   | <b>12,746</b>  | 14,327  | 11.0%  |                  |
| Output (tonnes of production)                          | <b>121,487</b> | 115,138 | 5.5%   |                  |
| Intensity (tCO <sub>2</sub> e per tonne of production) | <b>0.105</b>   | 0.124   | 15.7%  |                  |

\* Scope 3 emissions resulting from the transmission and distribution losses associated with the use of grid electricity and the grey fleet, which is defined as the use of personal vehicles used for business purposes.



When the SECR-related emissions are split by type, as shown in Table 2, it is fuel combustion in transportation and the combustion of fossil fuels at our sites that make up the largest portion of the portfolio, at 86.7%.

Table 4 below shows the total energy consumption for the Group and the split in energy source/fuel type. We can see a reduction in energy consumption for other fuels, including natural gas for heating and transport fuel, year-on-year. The Group energy consumption, shown in megawatt hours (MWh) by type and reporting period, was as follows:

### UK and global consumption

A requirement of SECR reporting for applicable companies is that they provide information on the split of their scopes 1, 2 & 3 emissions, divided between those that are emitted by UK sites and those emitted by sites in their portfolio outside of the UK.

**Table 4: Energy consumption (MWh) by type and reporting period**

| Emissions scope   | 2025           | 2024    | Change | Percentage share |
|---|----------------|---------|--------|------------------|
| Other fuel (MWh) (including transmission and distribution losses) | <b>27,214</b>  | 26,671  | 2.0%   | 20.0%            |
| Transport fuel (MWh)  | <b>38,701</b>  | 39,976  | 3.2%   | 28.5%            |
| Electricity (MWh) (delivered)                                     | <b>70,045</b>  | 71,547  | 2.1%   | 51.5%            |
| Total consumption (MWh)   | <b>135,690</b> | 138,194 | 1.6%   | 100%             |

**Table 5: Energy consumption (MWh) by type and reporting period**

| Territory | Scope | tCO <sub>2</sub> e | MWh            |
|-----------|-------|--------------------|----------------|
| UK        | 1     | <b>12,181</b>      | <b>52,289</b>  |
| Global    |       | <b>97</b>          | <b>440</b>     |
| UK        | 2     | <b>418</b>         | <b>68,428</b>  |
| Global    |       | <b>50</b>          | <b>1,617</b>   |
| UK        | 3*    | <b>1,363</b>       | <b>6,058</b>   |
| Global    |       | <b>29</b>          | <b>128</b>     |
| Total     |       | <b>14,138</b>      | <b>135,960</b> |

\* Scope 3 emissions resulting from the transmission and distribution losses associated with the use of grid electricity and the grey fleet, which is defined as the use of personal vehicles used for business purposes.

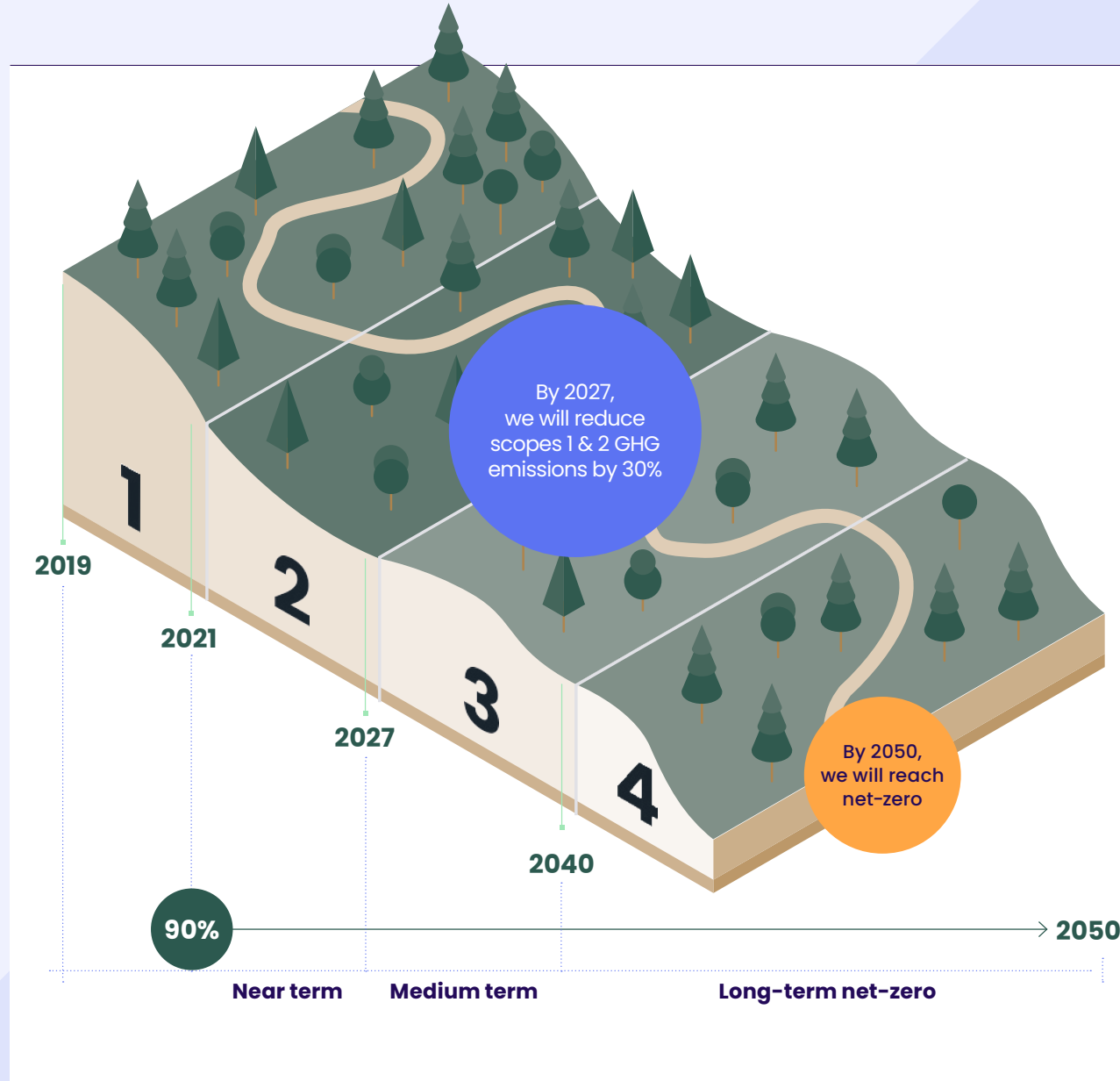
# Pathway to Net-Zero

## 1. The journey so far

- Carbon intensity decreased by 61.6%
- Recycled content at 50.6%
- Scopes 1 & 2 emissions decreased by 39.4% from 2021
- 98.7% of purchased electricity comes from renewable sources
- Emissions from purchased raw materials have decreased by 38.1% since 2021%
- 32% of suppliers by emissions covering purchased goods and services had their own climate-change targets

## 2. Leading the pack

- Aligning ambitions with climate science through the setting of science-based targets
- Decarbonising our own site operations
- Reducing emissions from transport with plug-in hybrid electric vehicles (PHEVs) or full electric vehicles (EVs) and biofuels
- Reducing embedded carbon from new materials and using recycled polymer content
- 30% reduction in absolute scopes 1 & 2 GHG emissions by 2027



## 3. Scaling up and driving down emissions

- Driving down scope 1 emissions from production activities
- Fully decarbonising transport emissions
- Adoption of innovative raw materials when available
- Decarbonisation of the value chain through supply chain science-based target commitments
- 100% purchase of renewable electricity

## 4. Delivering net-zero

- Deeper decarbonisation of the Group operations
- Advanced circular economy activities
- 90% reduction in absolute scopes 1 & 2 GHG emissions by 2050
- 90% reduction in absolute scope 3 GHG emissions by 2050

We are committed to long-term Group-wide emission reductions in line with net-zero and the Science Based Targets initiative (SBTi). We have responded to the SBTi's urgent call for corporate climate action by committing to align with 1.5°C and net-zero through the Business Ambition for 1.5°C campaign. In June 2024, the SBTi approved our long-term commitment to a 90% reduction in scopes 1, 2 & 3 emissions by 2050.

The Group is committed to achieving a 90% reduction in scopes 1 & 2 and a 90% reduction in scope 3 emissions by 2050. In making these commitments, Genuit has set defined targets, which are required as part of our climate-related transition plan and Pathway to Net-Zero.

Goods purchased for the manufacture of products account for the majority of our GHG inventory (scopes 1, 2 & 3). In the medium and long term, reducing this aspect will be key to achieving net-zero by 2050. The embedded carbon in these purchased raw materials derives from the primary products of the polymers and metals. In line with circular economy thinking and industry-recognised practices, once materials go through their first use and come back into the raw material supply chain, the primary production and embedded carbon is no longer associated with the material, to avoid double-counting. Therefore, recycled materials or materials made from recycled content offer the most obvious low-carbon solutions in the short to medium term, thereby securing our position as one of the leading consumers of recycled polymers.

In the short and medium terms, the switch from virgin materials to recycled materials is clear. In the longer term, low-carbon primary materials are likely to become available as the primary materials supply chain decarbonises in line with a net-zero trajectory.

Furthermore, new and innovative materials such as bio-polymers are likely to become more viable, offering a lower embedded carbon content than conventional materials. These innovations will be crucial where applications do not allow for the use of recycled materials. Bio-polymers are materials where the base component is produced from natural sources, for example by being chemically synthesised from a biological material.

A key element to achieving our Pathway to Net-Zero is the setting of challenging targets in the short term to provide the impetus for continuous progression and to remain on the required trajectory. As part of this journey, and since 80% of our total GHG inventory is in our purchased goods, i.e. the raw materials we buy to manufacture our finished goods, supply chain engagement is crucially important. We have set ambitious scope 3 targets in terms of the absolute reductions of emissions and also by requiring 83% of our suppliers by GHG emissions to adopt science-based targets. We understand our leadership role in giving clear signals to the supply chain and working with our partners to achieve the carbon reductions required to avoid the worst effects of climate change.

## Pathway to Net-Zero definitions

### What does 'carbon neutral' mean?

Although 'carbon neutral' is often used interchangeably with 'net-zero', the two are not the same. In general, when companies claim carbon neutrality, they are counterbalancing CO<sub>2</sub>e emissions with carbon offsets, without necessarily having reduced emissions by an amount that is consistent with reaching net-zero at the global or sector level (science-based targeted reductions).

Products that directly reduce or mitigate emissions during the life cycle may be described as carbon neutral if rigorous assessment shows this to be the case. Individual products may also be considered carbon neutral if residual emissions are offset by other carbon reduction activities and a third party assessment has verified the claim. These third parties are developing processes to verify and approve carbon-neutral claims. This is a developing area of product declaration and one that the Group is evaluating.

### What does 'net-zero' mean?

Net-zero is a state of balance between anthropogenic (man-made) emissions of greenhouse gases (GHG) and anthropogenic (man-made) removals. Net-zero GHG emissions must be achieved at the global level to stabilise temperature increases.

The SBTi net-zero standard outlines what companies need to do to enable the global economy to achieve net-zero by 2050.

Companies must take action to halve emissions before 2030. Likewise, long-term deep emissions cuts of at least 90% made before 2050 are crucial for net-zero targets to align with current thinking on climate science.

Our net-zero target boundary includes all scopes 1, 2 & 3 emissions, both upstream and downstream.

### What is the 'Science Based Targets initiative' (SBTi)?

The SBTi is a partnership between the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

The SBTi's goal is to enable companies worldwide to achieve what climate science requires of the global economy, to halve emissions by 2030, and achieve net-zero before 2050.

The SBTi develops criteria and provides tools and guidance to enable businesses and financial institutions to set GHG emissions reduction targets in line with what science tells us is needed to keep global heating below 1.5°C.

As previously highlighted, the Group has received approval for its near and long-term targets from the SBTi.

### What are 'science-based targets'?

Science-based targets provide a clearly defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping to prevent the worst impacts of climate change and future-proof business growth.

Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement; limiting global warming to 1.5°C above pre-industrial levels.

# Task Force on Climate-Related Financial Disclosures

At Genuit, we understand the serious threat that climate change poses to our planet and recognise our responsibility in mitigating and adapting to its impacts through sustainable business practices and climate-resilient products.

We acknowledge the scale of action required and the role that the construction industry and building material suppliers play in increasing the resilience of the wider economy against the threats posed by climate change.

Our business has evolved from its heritage in plastic pipes and fittings to being a leading player in sustainable water and climate management solutions, with sustainability at the heart of what we do and forming the basis of our strategic choices.

Our aim is to be the lowest-carbon supplier of choice for our customers, and we understand that we need to communicate our progress to our stakeholders in a consistent and comprehensive way. Through collaboration and the adoption of international frameworks, such as the Task Force on Climate-Related Financial Disclosures (TCFD) and the Science Based Targets initiative (SBTi), we aim to give our stakeholders more insight into the processes and evaluations behind our strategic decisions within the context of climate change, providing detail on the year-on-year progress that we have made in achieving them. We recognise the benefits of embedding climate risk and opportunity evaluation and action, along with climate-related financial

disclosures, into our business risk management and decision-making processes. You can read more about our climate change targets on pages 39 and 40.

During 2025, we built on our 2023 and 2024 assessments and continued to enhance our understanding and quantification of risks and opportunities with the deployment of quantitative analysis for both transition and physical risks and opportunities. We worked with a third party to build bespoke scenario models. These models enable the Group to analyse various possible short to medium and long-term policy scenarios that may have a financial impact over different time frames.

We outline further in this report the process that we followed and the risks and opportunities that were identified, as well as the quantitative and qualitative scenario analyses conducted on those selected risks and opportunities.

The table below outlines where specific information relevant to this TCFD disclosure can be found elsewhere in this Annual Report and Accounts. Further signposting is detailed in the sections that follow, where appropriate.

We comply with the Financial Conduct Authority Listing Rule 6.6.6R(8) and make disclosures consistent with the 2017 and amended 2021 TCFD recommendations, along with the recommended disclosures across all four of the TCFD pillars and s414CA and s414CB of the Companies Act 2006.

We consider that sufficient information as shared in this Annual Report and Accounts has been made available to make the disclosures consistent with the TCFD framework.

| TCFD pillar                | TCFD recommendation  | More detail on pages |
|----------------------------|--|----------------------|
| <b>Governance</b>          | a) Board oversight   | 47                   |
|                            | b) Management's role   |                      |
| <b>Risk management</b>     | a) Risk identification and assessment process                                  | 49 to 58             |
|                            | b) Risk management process   |                      |
|                            | c) Integration into overall risk management                                    |                      |
| <b>Strategy</b>            | a) Climate-related risks and opportunities                                     | 49 to 58             |
|                            | b) Impact on the Company's business, strategy, and financial planning          |                      |
|                            | c) Resilience of the Company's strategy  |                      |
| <b>Metrics and targets</b> | a) Climate-related metrics to assess climate risks and opportunities           | 24, 32 and 34        |
|                            | b) Scopes 1 & 2 and, if appropriate, scope 3 GHG metrics and the related risks | 39                   |
|                            | c) Climate-related targets and performance against targets                     | 40                   |

## Governance

The Board oversees and approves the Group's strategy and cultural framework, which includes sustainability drivers and targets, and has responsibility for the final disclosures included within this report, as well as our science-based targets and Pathway to Net-Zero. The Chief Executive Officer is ultimately responsible for the implementation of this strategy and climate-related risk management. Responsibility for identifying and monitoring climate-related risks and opportunities sits with our Risk Committee, which is chaired by our Chief Financial Officer.

We recognise the importance of effective governance for managing climate-related risks and opportunities. The Board has overall responsibility for the Group's internal control framework and risk management systems. This includes reviewing the effectiveness of the Group's risk and control processes and ensuring the identification, assessment, and ongoing monitoring of risk (including environmental matters and climate-related risks). It delegates the monitoring and management of these risks and opportunities to the Risk Committee. Details of the membership, activities, responsibilities, and frequency of meetings can be found in our Risk Committee Report on pages 123 to 128.

We are committed to assessing climate-related risks and opportunities throughout our businesses, to support our customers and the wider community with low-carbon benefits (through our low-emissions products and services), or by mitigation against physical risks (such as flooding and extreme heat) through integrated surface and drainage solutions and through building cooling and ventilation systems. It is a key factor in decision-making and is considered by senior executives when setting ambitions for Group strategy. During 2025, we continued to integrate the monitoring, reporting and understanding of climate-related risks and opportunities into our individual businesses. Climate-related risks are reviewed and captured as part of our principal risks and, where relevant, reviewed by the Risk Committee. This structure allows the Board, management teams and Committees to have adequate information to make strategic and local decisions, with due consideration for climate-related risks and opportunities. Details of the governance reporting structure for the Group can be found in our Governance Report on page 96, and the risk management process can be found on page 88.

Climate-related risks and opportunities in the context of the TCFD framework are a standing agenda item at Risk Committee meetings and were considered at the January, April and October meetings during 2025. The Group's climate risk and opportunity register provides the Risk Committee with climate-related risks and opportunities, along with detailed assessments and updates of these risks and opportunities where appropriate.



The Board is updated after each meeting on the key discussions and decisions made at the Risk Committee meetings, in respect of climate-related risks and opportunities. This is via a written report, as well as a verbal update from the Risk Committee Chair, to allow Board members to effectively challenge and question the resulting decisions and outcomes. The Board also has sight of any detailed analysis reports produced that outline climate risks and opportunities relevant to the Group, as part of this assessment, if relevant or available. These discussions took place with the Board at each Board meeting after each scheduled Risk Committee meeting.

Further detail on the Board meetings during the year can be found in the Governance Report on page 105.

The Board monitors climate-related targets through the non-financial KPIs relating to scopes 1, 2 & 3 emissions, as outlined within the Strategy section of this Report on pages 2 and 24. Most notably, this includes our commitments to carbon reduction and continuing to reduce the environmental impact originating from raw materials.

Sustainability has always been at the heart of what we do, and sustainability targets are embedded in our long-term incentive plan, with carbon reduction targets being a key element of this. This further reflects the importance of sustainability to the Group by incentivising senior leaders to continue to drive the sustainability agenda. More detail on how these incentives are structured can be found in our Directors' Remuneration Report on pages 142 to 168.

## Risk management

The Group understands the importance of monitoring climate-related risks and opportunities across its businesses and manages changing environmental regulations and disclosures through impact assessments and reviews of its risk register. Formal review and ongoing management of the risk register is the responsibility of the Risk Committee.

Climate change was first included as a principal risk in 2021, and the outcomes of the subsequent TCFD assessments have enabled more accurate conclusions in respect of mitigations, and impact in accordance with the Group's risk management framework. Since 2023, the Group's use of quantitative scenario modelling for transition and physical risks and opportunities have enabled a deeper understanding of the progression of mitigating actions and key performance indicators, resulting in a reduced overall net scoring to climate as a principal risk. Further details on the structure of the Group's risk management framework and climate risk as a principal risk can be found in our Principal Risks and Uncertainties on pages 87 to 94 of the Strategic Report.

Taking ownership of climate change risk at all levels within the Group is fundamental to the accurate identification and mitigation of climate-related risk. Business leaders present reports to the Risk Committee on a rotational basis; these include any climate-related risks and mitigating actions. Methods and mitigation for managing these risks are communicated by senior management to the businesses. This ensures full integration into risk reporting processes and consistency across the Group.

Led by the Chief Strategy and Sustainability Officer (an Executive Leadership Team member and a member of the Risk Committee) and supported by the Group's Sustainability Director, during the year, the climate-related risks and opportunities risk register was reviewed and updated in line with the risk management framework and the latest quantitative analysis. Updates were made to reflect changes in the Group's assessment of the risks and opportunities identified, and these were shared with the Risk Committee, as previously described. There is an opportunity for challenge and scrutiny by the Risk Committee of the climate-related risks and opportunities, prior to their submission to the Board, which ensures that adequate approvals are in place for any significant changes. At its meeting in April 2025, the Risk Committee approved the identified transition and physical risks and opportunities, which underwent an additional quantitative scenario analysis, to obtain a greater understanding of their financial impact.

To assist with the completion of the approved quantitative scenario analysis, we engaged a leading sustainability and environment consultancy to develop bespoke scenario models. For transition and physical risks and opportunities, the models enable the Group to analyse various possible short-, medium- and long-term scenarios and how they may impact the business.

The output from these models was integrated into the climate risk register and presented to the Risk Committee for review and approval. The final risks and opportunities, deemed most important and significant to the Group were selected for disclosure in this Report. These are detailed and disclosed on pages 51 to 58 and include the latest analysis performed in 2025.

Undertaking this analysis and discussing the methodology and outputs with the Risk Committee has provided further educational opportunities regarding the increasing impact of climate-related risk on the Group's operations, also confirming the opportunities that it presents, which are linked with the Group's strategy.

In order to ensure that the Group is informed of future regulatory directions, we engage with industry bodies within the UK and Europe, such as the Construction Products Association (CPA), The European Plastic Pipes and Fittings Association (TEPPFA), the British Plastics Federation (BPF), Future Homes Hub and the British Electrotechnical and Allied Manufacturers' Association (BEAMA), and provide expert input where required. These form key inputs into our assessment of identified transition risks relating to carbon tax, climate reporting obligations and the physical risk of material supply.

It is important to continuously review and update our analysis, which provides the basis for risk and opportunity assessment and disclosure. The Group will continue to review and update its analysis on climate-related risks and opportunities, enabling the Risk Committee to determine whether the considerations are adequately reflected in the Group's strategy. It will continue to drive the integration of climate-related risks into the risk management framework across the Group, as well as monitoring the opportunities it presents, ensuring that progress continues to be adequately reported to the Board.

## Strategy

Climate change continues to pose significant challenges to the built environment.

**Time horizons** consider when the risk could likely have an impact. Associated impacts were considered under current operating levels, using the following time horizons, in accordance with our risk management framework.

**Short term**  
This covers the current year, plus our outlook for budgets and short-term financial planning, and assessments such as viability statements.

**Short term (0-5 years)**

**Medium term (5-10 years)**

**Long term (10+ years)**

We are aware that transitioning into a lower-carbon economy may entail changes to policy, legal, technological, or other market changes that may cause varying levels of financial and reputational risk to us as a Group. Nonetheless, sustainability is core to our commercial strategy.

As part of our assessment of climate-related risks and opportunities, we have identified the transition and physical risks that climate change poses that we seek to address and mitigate. However, we acknowledge that with these risks comes various opportunities, given our Sustainability Framework (read more on pages 34 to 36 of the Strategic Report). It should be noted, therefore, that whilst climate change is assessed to be a principal risk, this is based on the potential impact and likelihood over the medium and longer term. In our short-term scenarios, we do not consider the Group to be at significant risk of adverse impact from climate change. In the medium term, this risk increases; however, we are well positioned to help mitigate climate-related risks through supporting our customers in providing low-carbon and climate-resilient solutions. In preparing the Group's financial statements, we have considered the impact of climate-related risks on our financial position and performance, and have not identified any significant adverse impact on the financial statements.

**Medium term**  
This period is consistent with our view on SBTs and Genuit's Pathway to Net-Zero.

As part of the input to the Viability Statement, the Group assesses climate change and its impact over a three-year time horizon. During 2025, a review of climate-related risks and opportunities was conducted to identify those that could impact strategy and financial planning across our operations and Business Units. Due to the nature of our operations, we are well placed to support customers in tackling the impact of climate change, particularly the increase in severity and frequency of extreme weather events. This provides significant opportunities through the development of low-emission and climate-resilient products and services. The climate-related risks and opportunities review considered the current operations across the Group without any future strategic changes, and was based on inherent risk, to give a clearer picture of the actual risks and opportunities. This review was then used to assess the residual risk, following any implementation of appropriate mitigations.

The short-listed risks and opportunities were evaluated further to consider the likelihood of the risks occurring and the potential severity of the impact on the Group and those deemed significant. Significant risks are defined as those that have potential to make a considerable impact on our operations, strategy or financial performance if they are not suitably controlled. Significant opportunities are those that have the potential to enhance the financial performance of the business. Five risks (two being physical, and three transitional) and three opportunities were identified as having the greatest combination of probability and impact and, consequently, being of significance to the business.

**Long term**  
This time period extends beyond our current knowledge on legislation and regulatory changes, but considers an extrapolation of trends and themes up to 2050.

**Task Force on Climate-Related Financial Disclosures continued**

These identified risks and opportunities are a key factor in the financial and operational planning process, both for long-term strategic decision-making and in the short to medium term. Our Pathway to Net-Zero transition plan, as detailed on page 44 and 45, is based upon the 1.5°C Business Ambition on achieving a 90% reduction in total GHG emissions by 2050. In the short term, this is supported by our SBTs for 2027. In order to achieve these goals, our key focus is on continuing to drive out carbon across scopes 1, 2 & 3, and, in doing so, mitigate the risks identified in this Report. During 2025, as part of our Pathway to Net-Zero, we expanded and evolved the projects supporting our SBTs and identified our longer-term actions to achieve net-zero. Given the significance of the carbon impact of virgin polymers, much of our focus is on continuing to increase and maintain our usage of recycled materials.

Given the profile of our revenue streams in 2025, with c.89% being derived from the UK, the primary jurisdiction for an evaluation of our net-zero commitments is the UK, and we are in line with the UK Government’s current targets. Should this profile alter, we will seek to ensure that we are in keeping with the relevant jurisdiction targets as part of our economic evaluation of those opportunities.

Following the identification and assessment of climate risks and opportunities relevant to our businesses through engagement with key stakeholders, we carried out quantitative and qualitative climate scenario analysis on a subset of the most significant risks and opportunities. The potential impacts of these risks and opportunities were assessed under a selected set of climate scenarios.

This assessment was performed to gain a better understanding of the resilience of our business model and strategy to the potential impacts of these risks and opportunities under hypothetical climate scenarios and outcomes. During this analysis, our climate risks and opportunities were considered against the following reference time horizons within the public scenarios of short-term, 0-5 years (<5 years), medium-term, (5-10 years, 2035) and long-term, (10+ years, 2050). 2035 and 2050 are the typical milestones included within public scenarios against which hypothetical climate outcomes are described. These referenced time horizons are broadly aligned with the business-specific time horizons against which we have identified and assessed our climate risks and opportunities. Furthermore, these time frames align with our short-medium-term business planning processes and our longer-term strategic overview.

| Warming trajectory by 2100 | Transition scenarios (IEA) <sup>1</sup> | Physical scenarios (IPCC) <sup>2</sup>   |
|----------------------------|---|--|
| <b>1.5°C</b>               | Net Zero Emissions (NZE)                |  |
| <b>&lt;2°C</b>             | Announced Pledges Scenario (APS)        | SSPI <sup>4</sup> -2.6 <sup>2</sup> (low challenges to mitigation and adaptation)  |
| <b>2-3°C</b>               | Stated Policies Scenario (STEPS)        | SSP2-4.5 and SSP3-7.0 for supply chain disruption and physical risk (medium to high challenges to mitigation and adaptation) |
| <b>&gt;3°C</b>             |   | SSP5-8.5 (high challenges to mitigation, low challenges to adaptation)   |

1 IEA – The International Energy Agency has constructed scenarios to assess different transition pathways based on varying assumptions of how the energy system may evolve.  
 2 RCP – Representative concentration pathways are commonly used by climate scientists to assess physical climate risk. Each pathway represents a different greenhouse gas concentration trajectory, each of which is associated with varying levels of impact. Physical climate impacts are expected to be lowest and greatest under RCP 2.6 and RCP 8.5, respectively.  
 3 IPCC – The Intergovernmental Panel on Climate Change’s RCPs are the market-accepted reference scenarios that outline the possible consequences of climate change.  
 4 SSPs – Shared socio-economic pathways illustrate different socio-economic contexts or baselines i.e. technological, economic and demographic contexts, in the absence of further climate policy i.e. technological, economic and demographic contexts.

The shortlist of risks and opportunities included in this analysis are set out in the table below. The relative magnitude and materiality of each of these risks and opportunities was assessed using the Group risk management framework and probability impact matrix, within the context of the different climate scenarios. This assessment excludes the impact of any current or future mitigating actions. Overall, transition risks were found to have the highest potential impact in the short to medium term, with carbon taxes and supply chain disruption representing the greatest potential impact under all transition scenarios examined. Transition opportunities were found to have the most potential positive impact in the medium to long term. The opportunity arising from the demand for low-emissions products and services is dependent on the transition to a low-carbon economy. The opportunity arising from the increased demand for flood mitigation technology is reliant on the impact of physical risk, where in flood risk is enhanced. In contrast, physical risk is expected to have the most significant potential impact in the longer term under the worst-case warming scenario examined. Following the risk assessment and subsequent scenario analysis, we believe that our business strategy shows resilience to the impacts of climate change up to the medium term. Nonetheless, in line with our periodic strategic review and risk management processes, we will adjust and introduce mitigating measures as required.

**These climate scenarios were selected because they:**

Align with the TCFD recommendations to assess business resilience under different climate-related scenarios, including a <2°C scenario.

Consider up to a 2050 time frame, which aligns with the Paris Agreement and other governmental net-zero 2050 targets.

Broadly align with scenarios commonly used in TCFD reporting, facilitating better comparison between disclosures.

Include reputable and broadly used data and assumptions.

Climate-related risks and opportunities

Disclosure definition/materiality



| Risk  | Risk type  | TCFD category              | Potential impact   | Mitigating actions   | Scenario analysis and results   |               |             | Time horizon/metrics/targets |  |
|---|------------|----------------------------|--|--|---|---------------|-------------|------------------------------|--|
|   |            |                            |  |  | Short (<5 years)  | Medium (2035) | Long (2050) |                              |  |
| <b>Climate reporting obligations</b>  |            |                            |  |  |   |               |             |                              |  |
| Potential financial impact if we are perceived by stakeholders as failing to meet climate reporting expectations/ requirements or reporting poor performance against climate commitments. | Transition | Policy & Legal/ Reputation | Financial: Additional costs due to increased reporting requirements and stakeholder demands. Loss of investor confidence if we are seen to be climate greenwashing, impacting access to capital. | The Group has access to external resources and has representatives on national and international working groups. As such, we ensure that we have good sight of changes that impact the business. | (1.5°C) Early Action – This scenario sees the greatest requirements for additional analysis, reporting and disclosure, in line with the other requirements but with much greater coverage and the likelihood of occurring sooner.   |               |             |                              | <p><b>Time horizon</b><br/>Short to medium</p> <p><b>Metrics</b><br/>ESG reporting and disclosures such as CDP, EcoVadis and S&amp;P Global Sustainability Reporting</p> <p><b>Targets</b><br/>Complying with mandatory and key voluntary reporting requirements</p> |
|   |            |                            |  |  | (<2°C) Late Action – Similar to BAU, with earlier adoption and slightly increased coverage.   |               |             |                              |  |
|   |            |                            |  |  | (>3°C) Business as usual (BAU) – We see incremental demands for assurance, the adoption of mandatory transitional planning and disclosure, the roll out of product declarations that include carbon assessments, increased coverage of UK Emissions Trading Scheme and Carbon Border Adjustment Mechanism administration and other mandatory disclosure requirements.   |               |             |                              |  |
|   |            |                            |  |  | <p>Genuit's climate reporting obligations span multiple frameworks and functions, creating an operational burden that is increasingly material in terms of cost, capacity, and compliance risk. Activities are focused on key priorities and mandatory elements and has access to third party support in order to adapt resource levels in the event that a new requirement emerges.</p> <p>The Group actively engages with national and international trade associations, and these help with horizon scanning to allow time for appropriate planning for upcoming new requirements.</p> <p>During 2025, quantitative scenario analysis was completed, and the results presented here reflect the latest analysis.</p> |               |             |                              |  |

Climate-related risks and opportunities continued

Disclosure definition/materiality

Green circle: <£1m financial impact Low risk

Orange circle: £1m to £10m financial impact Medium risk

Red circle: >£10m financial impact High risk

| Risk  | Risk type | TCFD category  | Potential impact   | Mitigating actions  | Scenario analysis and results  |               |             | Time horizon/metrics/targets |  |
|---|-----------|----------------|--|---|--|---------------|-------------|------------------------------|--|
|   |           |                |  |   | Short (<5 years)   | Medium (2035) | Long (2050) |                              |  |
| <b>Business interruption and damage to assets</b>   |           |                |  |   |  |               |             |                              |  |
| The potential financial impact of damage to and closure of the Group's offices, warehouses and factories caused by extreme weather. | Physical  | Acute/ Chronic | <p>Financial: Reduced revenue due to closure of sites; increased repair/ capital costs due to weather damage; increase in insurance premiums; reduced revenue and higher costs.</p> <p>Operations: Sites could close while repairs take place; risk of impacts of changing climate on employee working conditions.</p> | <p>The Group internally assesses the controls in place to deal with site-level business interruption. The Group is audited by our insurers who review Group business continuity and interruption.</p> | <p>SSP1-2.6 (&lt;2°C) The frequency and size of event including heavy precipitation, flood, wind and drought are likely to increase. An increase in the frequency of extreme coastal flooding events due to sea-level rise is very likely.</p> |               |             |                              | <p>The gross risk of business interruption and damage to our assets is broadly consistent in terms of surface water flooding. Financial impacts are expected to be greatest under the &gt;3°C scenario and may include:</p> <ul style="list-style-type: none"> <li>– increased costs in the medium to long term, due to damage and disruption from extreme weather events requiring asset restoration.</li> <li>– revenue lost due to business disruption in the medium to long term under all scenarios.</li> <li>– reduction in asset values due to increased exposure to physical risk.</li> </ul> <p>The results presented here are gross, and are not indicative of any current mitigations. The Group holds insurance that fully mitigates the gross risk. Furthermore, we have business interruption plans and mitigation strategies in place.</p> <p>During 2025, quantitative scenario analysis was completed and the results presented here reflect the latest analysis.</p> |
|   |           |                |  |   | <p>SSP2-4.5 (2-3°C) Similar worsening of flood risk assessment to trends observed in Scenario SSP1-2.6, with increases in the frequency and size of extreme weather events.</p>  |               |             |                              |  |
|   |           |                |  |   | <p>SSP5-8.5 (&gt;3°C) Compared to Scenario SSP1-2.6, a marked increase in the frequency and severity of extreme weather events is projected. Heavy precipitation and drought events are likely to double in frequency versus SSP1-2.6.</p>     |               |             |                              |  |

Disclosure definition/materiality

- <£1m financial impact Low risk
- £1m to £10m financial impact Medium risk
- >£10m financial impact High risk

Scenario analysis and results

| Risk  | Risk type  | TCFD category  | Potential impact  | Mitigating actions   | Short (<5 years)  | Medium (2035) | Long (2050) | Time horizon/metrics/targets  |
|---|------------|----------------|---|--|---|---------------|-------------|---|
| <b>Carbon taxes</b>   |            |                |   |  |   |               |             |   |
| The potential financial impact of current and future potential carbon taxes applied to our own operations and supply chain. | Transition | Policy & Legal | <p>Financial: Increase in operating costs, driven by indirect carbon taxes passed to the Group through its supply chain and direct carbon taxes on manufacturing activity. These 'taxes' could be delivered through existing measures, such as the UK and EU's Emissions Trading Scheme.</p> <p>Operations: Requirement for more comprehensive data assurance and verification of scopes 1, 2 &amp; 3 carbon emissions.</p> | <p>The Group continually monitors changes in tax legislation through internal specialists and with guidance from our advisers. Changes that impact the Group are communicated to the Board and action is taken where appropriate. Our SBTs and journey to net-zero will mitigate our exposure to carbon-related tax.</p> | <p>(1.5°C) Early Action – Early implementation of a carbon pricing mechanism to all economies with a net-zero commitment. 2030: £114/tCO<sub>2</sub> 2050: £203/tCO<sub>2</sub>.</p>  |               |             | <p>Based on quantitative financial modelling, the potential impacts of carbon taxes and other carbon policy measures applying a carbon cost to our scopes 1, 2 &amp; 3 were examined and quantified. Overall, the impacts are predicted to be potentially significant under both the NZE and APS scenarios in the medium to long term. Carbon taxes are expected to increase in line with national governments' commitments to decarbonise, especially those committed to net-zero by 2050 or earlier. Given that our value chain predominantly operates in countries with net-zero commitments, this could result in the following potential financial implications:</p> <ul style="list-style-type: none"> <li>– increased expenditure due to the cost of carbon taxes and indirect costs passed through our supply chain;</li> <li>– we may have to absorb this cost, leading to reduced profit margins; and</li> <li>– alternatively, we may need to increase prices, potentially impacting our competitiveness.</li> </ul> <p>During 2025, this risk was reviewed in accordance with the risk management framework, as outlined earlier in this report, and there was no change in its assessment.</p> |
|   |            |                |   |  | <p>(&lt;2°C) Late Action – Pricing mechanisms are introduced later on and at lower rates. 2030: £109/tCO<sub>2</sub> 2050: £162/tCO<sub>2</sub>.</p>  |               |             |   |
|   |            |                |   |  | <p>(&gt;3°C) Business as Usual (BAU) – Only existing or announced carbon pricing schemes are applied under lower rates. 2030: £97/tCO<sub>2</sub> 2050: £109/tCO<sub>2</sub>.</p>   |               |             |   |
|   |            |                |   |  | <p><b>Time horizon</b><br/>Medium</p> <p><b>Metrics</b><br/>GHG emissions, scopes 1, 2 &amp; 3<br/>Non-financial KPI, Vitality Index</p> <p><b>Targets</b><br/>Tracking and disclosure of recycled materials<br/>2027 target of 30% reduction in scopes 1 &amp; 2 emissions from the 2021 base year<br/>2027 target of 13% reduction in scope 3: category I: 'Purchased Goods and Services' emissions from the 2021 base year<br/>83% of suppliers by emissions covering purchased goods and services will have science-based targets by 2027</p> |               |             |   |

Climate-related risks and opportunities continued

Disclosure definition/materiality

● <£1m financial impact  
Low risk

● £1m to £10m financial impact  
Medium risk

● >£10m financial impact  
High risk

| Risk  | Risk type  | TCFD category | Potential impact  | Mitigating actions  | Scenario analysis and results   |               |             | Time horizon/metrics/targets |  |
|---|------------|---------------|---|---|---|---------------|-------------|------------------------------|--|
|   |            |               |   |   | Short (<5 years)  | Medium (2035) | Long (2050) |                              |  |
| <b>Increased raw material costs</b>   |            |               |   |   |   |               |             |                              |  |
| The potential financial impact of the increased demand for low-carbon materials causing reduced supply and increased cost. This could lead to challenges in competitive pricing and reduced profit margins. | Transition | Market        | <p>Financial: Reduced revenues due to the limited supply of materials; reductions in profit margins as materials required to aid the transition to net-zero increase in price.</p> <p>Operations: Challenges in continuing operations or a reduction in product offerings if materials become too costly.</p> | <p>The Group has established relationships with several raw material suppliers to ensure competition across its supplier base.</p> <p>Our move to increase our use of recycle also mitigates against raw material volatility.</p> | <p>(1.5°C) Early Action – A carbon price is introduced (see, Impact of Carbon Taxes), increasing the cost of carbon-intensive materials. Advanced economies increase their demand for low carbon materials to achieve net-zero.</p>   |               |             |                              | <p><b>Time horizon</b><br/>Short to medium</p> <p><b>Metrics</b><br/>Non-financial KPI, Recycling Margin over direct materials</p> <p><b>Targets</b><br/>Achievement of Group EBIT margin targets</p> <p>Tracking and disclosure of recycled materials</p> |
|   |            |               |   |   | <p>(&lt;2°C) Late Action – Similar to NZE, the introduction of a carbon tax is delayed with a lower carbon price. Demand for low carbon materials is expected to increase overall, but at a lower rate than NZE.</p>  |               |             |                              |  |
|   |            |               |   |   | <p>(&gt;3°C) BAU – A carbon tax is introduced for EU-based suppliers for highly emitting manufacturing activities. Demand for low carbon materials is expected to increase at the lowest rate.</p>  |               |             |                              |  |
|   |            |               |   |   | <p>Under each of these scenarios, the demand for low carbon materials is likely to increase as the introduction of a carbon price shifts consumer preferences towards low-carbon products and services.</p> <p>Overall, the resulting financial impacts could potentially be significant under NZE in the medium to long term:</p> <ul style="list-style-type: none"> <li>– demand-side inflationary pressure on the price of these materials as supply adjusts to market demand. This may increase our procurement costs, thereby impacting our profit margin; and</li> <li>– in some cases, our ability to procure low-carbon materials may be affected, which could impact the fulfilment of customer contracts and revenues generated.</li> </ul> <p>During 2025, this risk was reviewed in accordance with the risk management framework, as outlined earlier in this report, and there was no change in its assessment.</p> |               |             |                              |  |

Disclosure definition/materiality

- <£1m financial impact Low risk
- £1m to £10m financial impact Medium risk
- >£10m financial impact High risk

Scenario analysis and results

| Risk   | Risk type | TCFD category | Potential impact   | Mitigating actions  | Short (<5 years)  | Medium (2035)                         | Long (2050)                        | Time horizon/metrics/targets   |  |                                    |
|--|-----------|---------------|--|---|---|---------------------------------------|------------------------------------|--|--|------------------------------------|
| <b>Supply chain disruption</b>   |           |               |  |   |   |                                       |                                    |  |  |                                    |
| Potential financial impact of disruption to the supply of raw materials and products, due to increased incidence and the severity of extreme weather events. | Physical  | Acute/Chronic | <p>Financial: Increased price of raw materials, particularly polymers, resulting in reduced profit margins.</p> <p>Supply chain: Disruption in the supply of raw materials could reduce stock availability and cause delays in fulfilling customers' orders.</p> | The Group monitors and reviews its supply chain and does not rely on one single supplier or geographic region for critical materials. | <span style="color: orange;">●</span>   | <span style="color: red;">●</span>    | <span style="color: red;">●</span> | <p>Based on quantitative financial modelling using industry-standard climate models and, based on the location of suppliers manufacturing sites. Increased severity of climate-driven weather events leads to increased supplier disruption. Of the physical risks assessed, surface water flooding was the greatest type of risk in the medium and long term.</p> <p>The analysis revealed a geographical split of risks within the current supply chain, with surface water flooding being a greater risk for UK suppliers compared to extreme heat, whereas extreme heat is a greater risk than surface water flooding for non-UK suppliers.</p> <p>During 2025, this risk was reviewed in accordance with the risk management framework as outlined earlier in this report, and there was no change in its assessment.</p> | <p><b>Time horizon</b><br/>Medium to long</p> <p><b>Metrics</b><br/>Non-financial KPI, Recycling (use of recyclate reduces exposure to internationally sourced virgin raw materials)</p> <p><b>Targets</b><br/>Tracking and disclosure of recycled materials</p> <p>2027 target of 13% reduction in scope 3: category 1: 'Purchased Goods and Services' emissions from the 2021 base year</p> <p>83% of suppliers by emissions covering purchased goods and services will have science-based targets by 2027</p> |                                    |
|  |           |               |  |   | <p>SSP3-7.0 (2-3°C) Similar to trends observed in SSP1-2.6, with increases in the frequency and size of extreme weather events.</p>               | <span style="color: orange;">●</span> | <span style="color: red;">●</span> |  |  | <span style="color: red;">●</span> |
|  |           |               |  |   | <p>SSP5-8.5 (&gt;3°C) Compared to SSP1-2.6 (in 2050), a marked increase in the frequency and severity of extreme weather events is projected.</p> | <span style="color: orange;">●</span> | <span style="color: red;">●</span> |  |  | <span style="color: red;">●</span> |

Climate-related risks and opportunities continued

Disclosure definition/materiality

>£10m financial impact  
High opportunity

£1m to £10m financial impact  
Medium opportunity

£<1m financial impact  
Low opportunity

| Risk   | Opportunity type | TCFD category       | Potential impact   | Actions to capitalise   | Scenario analysis and results  |               |             | Time horizon/metrics/targets |   |  |
|--|------------------|---------------------|--|---|--|---------------|-------------|------------------------------|---|--|
|  |                  |                     |  |   | Short (<5 years)   | Medium (2035) | Long (2050) |                              |   |  |
| <b>Low-emissions products and services</b>   |                  |                     |  |   |  |               |             |                              |   |  |
| The potential revenue generated from further developing low-emissions products and services. | Transition       | Products & Services | <p>Financial: Overall revenue growth from increased sales of low-emission products and services. Access to new sources of finance.</p> <p>Operations: Reduced exposure to increasing carbon taxes, due to the reduced carbon intensity of products. Decrease in scope 3 GHG emissions.</p> | <p>A key pillar in the Group strategy is to provide lower carbon products to the market. The Group are innovating techniques to further reduce the carbon content of our products, as well as improving operating efficiencies. The Group will continue the plan to produce Environmental Product Declarations for its products to assist customers in making informed decisions. Our drive to increase our Vitality Index is also based upon increasing our revenues from low carbon products.</p> | (1.5°C) Early Action – Early implementation of climate policy (see Carbon Taxes) and consistent signalling to the market by policy-makers is expected to increase market demand for low emissions products and services.   |               |             |                              | <p>Quantitative analysis has been undertaken on specific products to examine the impact of market growth, changes to regulation and customer preferences.</p> <p>The analysis revealed positive opportunities for revenue growth under the APS and NZE scenarios.</p> <p>Under a STEP scenario, static regulatory requirements are not creating the environment to drive demand for lower embodied carbon content for building products. However, customer preference for low carbon products should drive opportunities in the absence of regulator drivers.</p> <p>During 2025, this opportunity was reviewed in accordance with the risk management framework as outlined earlier in this report, and there was no change in its assessment.</p> | <p><b>Time horizon</b><br/>Medium</p> <p><b>Metrics</b><br/>Revenues from low carbon products<br/>Non-financial KPI, Vitality Index<br/>Non-financial KPI, Recycling<br/>Measuring the carbon content of ranges, as per Environmental Product Declarations</p> <p><b>Targets</b><br/>Tracking and disclosure of recycled materials<br/>2027 target of a 13% reduction in scope 3: category 1: 'Purchased Goods and Services' emissions from the 2021 base year<br/>83% of suppliers by emissions covering purchased goods and services will have science-based targets by 2027</p> |
|  |                  |                     |  |   | (<2°C) Late Action – Similar to NZE; however, later implementation of climate policy and less consistent signalling to the market by policy-makers (i.e. via more severe and more ambitious measures, with shorter lead times) is expected. This may result in delayed market demand for low-emissions products compared to NZE. |               |             |                              |   |  |
|  |                  |                     |  |   | (>3°C) BAU – Policy and market pressure are limited due to a lack of policy ambition compared to NZE and Early Action. External forces driving the innovation of low-emission products and services are due to customer preference and not legal drivers.  |               |             |                              |   |  |

Disclosure definition/materiality

- >£10m financial impact High opportunity
- £1m to £10m financial impact Medium opportunity
- <£1m financial impact Low opportunity

Scenario analysis and results

| Risk  | Opportunity type | TCFD category | Potential impact  | Actions to capitalise  | Short (<5 years)  | Medium (2035) | Long (2050) | Time horizon/metrics/targets   |   |
|---|------------------|---------------|---|--|---|---------------|-------------|--|---|
| <b>Increased demand for flood mitigation technology</b>   |                  |               |   |  |   |               |             |  |   |
| The potential revenue generated from further developing the Group's water management solutions. | Transition       | Market        | <p>Financial: Increased revenue due to the demand for reliable drainage systems and growing SuDS requirements in new major developments.</p> <p>Operations: Positive reputational impact through being a part of a key climate adaptation strategy.</p> | <p>The Group continues to develop water management solutions and pursue opportunities to expand its portfolio. The Group recognises the demand for a full solution and is working with customers and partners, including in relation to AMP8, to provide comprehensive technology-based solutions.</p> | <p>SSP1-2.6 (&lt;2°C) Heavy precipitation and flood events are likely to increase in frequency and severity, albeit to a lower extent than in the other higher-emissions scenarios.</p>   |               |             | <p>The potential size of the opportunity increases from SSP1-2.6 (&lt;2°C) to SSP5-8.5 (&gt;3°C). The financial opportunity may be greatest under scenario SSP5-8.5 in the medium to long term, as the market for flood mitigation technology expands in line with the increased frequency of, severity of and exposure of new areas to flooding events.</p> <p>There is the potential for significant increases in revenue as demand for resilient drainage systems increases under higher-emissions scenarios across all time horizons.</p> <p>During 2025, quantitative scenario analysis was completed and the results presented here reflect the latest analysis. This results in all scenarios and time frames returning a high opportunity potential.</p> | <p><b>Time horizon</b><br/>Short</p> <p><b>Metrics</b><br/>Measured via revenue from qualifying product ranges</p> <p><b>Targets</b><br/>This is not disclosed, due to commercial sensitivity</p> |
|   |                  |               |   |  | <p>SSP2-4.5 (2-3°C) Similar to trends observed in SSP1-2.6, with increases in the frequency and size of extreme weather events.</p>   |               |             |  |   |
|   |                  |               |   |  | <p>SSP5-8.5 (&gt;3°C) Compared to SSP1-2.6, a marked increase in the frequency and severity of extreme weather events is projected. Heavy precipitation and drought events are likely to double in frequency verses SSP1-2.6.</p> |               |             |  |   |

Climate-related risks and opportunities continued

Disclosure definition/materiality

● >£10m financial impact  
High opportunity

● £1m to £10m financial impact  
Medium opportunity

● <£1m financial impact  
Low opportunity

| Risk   | Opportunity type | TCFD category         | Potential impact  | Actions to capitalise   | Scenario analysis and results   |               |             | Time horizon/metrics/targets |   |  |
|--|------------------|-----------------------|---|---|---|---------------|-------------|------------------------------|---|--|
|  |                  |                       |   |   | Short (<5 years)  | Medium (2035) | Long (2050) |                              |   |  |
| <b>Upstream supplier engagement</b>  |                  |                       |   |   |   |               |             |                              |   |  |
| Increased collaboration with suppliers to optimise the use of lower-emissions materials and products could reduce overall emissions and support the Group to achieve net-zero. | Transition       | Technology and Market | Financial: Protection from future pass-through decarbonisation costs and increases to carbon pricing.<br><br>Supply chain: Greater collaboration on decarbonisation and enhancements to circular economy thinking by the greater use of recycled raw materials. | The Group continues to increase the use of recycled raw materials.<br><br>The Group works with the supply chain to ensure that 83% of suppliers by emissions have a science-based climate target by 2027. | (NZE 1.5°C) Early Action – Material reduction in the free allocation of carbon allowances under the EU and UK Emission Trading Schemes, driving: 1) increased site exposure to carbon pricing (in the absence of free allocation) and 2) increases in carbon costs per carbon credit. |               |             |                              | Supplier exposure to carbon pricing and the level of carbon costs were examined, using a quantitative scenario analysis model. Assumptions were modelled around the future reduction of free allocation, and 2035 was assumed to be a common end point. The analysis showed that cost avoidance was possible and beneficial, especially under the NZE and APS scenarios.<br><br>The analysis revealed the potential cost avoidance by maximising the recycled content of the polymer products and engaging with the supply chain to ensure the decarbonisation of virgin material supplies.<br><br>During 2025, this opportunity was reviewed in accordance with the risk management framework as outlined earlier in this report, and there was no change in its assessment. | <b>Time horizon</b><br>Short/medium/long<br><br><b>Metrics</b><br>2027 SBTi and targets related to carbon in the supply chain<br><br><b>Targets</b><br>Tracking and disclosure of recycled materials<br><br>2027 target of 30% reduction in scopes 1 & 2 emissions from the 2021 base year<br><br>2027 target of 13% reduction in scope 3: category 1: 'Purchased Goods and Services' emissions from the 2021 base year<br><br>83% of suppliers by emissions covering purchased goods and services will have science-based targets by 2027 |
|  |                  |                       |   |   | (APS <2°C) Late Action – Similar to NZE, with a lower carbon price and later reduction in free allocation.  |               |             |                              |   |  |
|  |                  |                       |   |   | (STEPS >3°C) BAU – Similar to APS, with a lower carbon price and later reduction in free allocation.  |               |             |                              |   |  |

**Metrics and Targets**

Following the implementation of our Sustainability Framework in 2020, the Group identified the relevant metrics and targets to monitor progress towards achieving its sustainable goals. These metrics and targets formed part of our strategic operations and informed our decision-making.

These were mapped against our identified climate-related risks and opportunities enabling the risks and opportunities to be adequately monitored and mitigated as required. Additional metrics, such as revenue from qualifying product ranges, margin over direct materials and a specific proportion of sites seen as at risk of flooding, have been included where relevant, to enable effective and targeted monitoring on an annual basis.

A core element of our transition plan is our commitment to being net-zero by 2050, which is based upon the 1.5°C Business Ambition, and near-term science-based targets with the Science Based Targets initiative (SBTi) for 2027, which have been disclosed publicly and form part of management's incentive programmes. Our 2027 SBTi targets are our first interim targets on our Pathway to Net-Zero and achieving a 90% reduction by 2050.

In addition, we have set targets to reduce, in absolute terms, our scope 3 emissions relating to purchased raw materials and have a target for our suppliers of raw materials to adopt science-based climate targets. Progress towards achieving the targets forms part of the ongoing monitoring and metrics identified. For more information on our progress, see page 40.

Further information on our Pathway to Net-Zero transition plan can be found on pages 44 to 45.

Further information on our externally validated long-term net-zero targets can be found on page 39.

Details of scopes 1, 2 & 3 emissions are included in the Sustainability section on page 41 within the Strategic Report. Our non-financial KPIs in respect of recycling and greenhouse gas emissions for the 2025 financial year are detailed on page 2 of the Strategic Report. Progress towards achieving our climate-change targets is included on page 40 of the Strategic Report, and historical data for these targets can be found in the Sustainability Report for 2025, which can be found on our website.

The Genuit Business System (GBS) is a key part of our Sustainable Solutions for Growth strategy, and is how we operate. Rooted in lean principles, GBS enables us to work more efficiently and productively, supporting the delivery of our purpose and strategy while creating value for customers and stakeholders.



Scan or click here to learn more about this topic

# Genuit Business System



# Genuit Business System

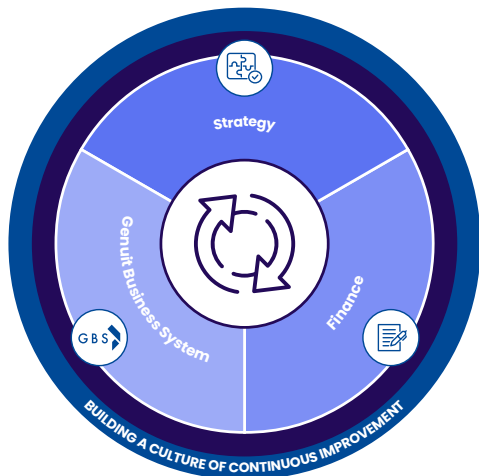
## Building a culture of continuous improvement

Embedding the lean transformation of our business, and fostering a culture of continuous operational improvement and excellence, remain central to how we create value. The Genuit Business System (GBS) enables the Group to standardise processes, share best practices and realise the benefits of scale. It is a fundamental driver in our journey towards achieving our medium-term operating margin target of greater than 20%.

We have continued to make strong progress in embedding GBS as a standardised way of working across the Group.

Our initial focus was on operational processes within manufacturing, where improvements could be implemented at pace and deliver meaningful, measurable benefits.

In 2025, we broadened the scope of kaizen events to focus on effective strategy deployment across our Business Units, and saw the launch of a series of growth tools across the Group.



## Building leadership capability to embed GBS

We recognise that fully embedding GBS into our Group ethos will take time. It depends on our senior leaders feeling confident, empowered to apply its principles, practices and tools in their day-to-day work, leading by example.

In 2025, 93% of our Genuit Leadership Team (GLT) participated in kaizen events. Their involvement not only contributed to meaningful operational improvements but also provided hands-on experience with GBS methodologies, equipping leaders with skills they could take and apply within their own teams.

### Strengthening and expanding GBS

In 2026, we will extend the reach of GBS beyond our top 100 leaders, engaging a broader group of people managers across the organisation and further building best practice expertise in the GBS toolkit. This expansion will strengthen awareness, enhance capability at every level, and embed the consistent use of GBS tools and processes as a core driver of performance and continuous improvement.

We are already seeing the benefits of wider exposure to GBS. For example, following participation in kaizen events, the Sky Garden team has continued applying GBS tools informally, using the skills gained to focus on smaller, everyday problems with discipline and intent. This demonstrates how GBS can empower teams to adopt a mindset of continuous improvement in their business.



*"GBS is about enabling improvement. When we make processes easier, clearer and more consistent, our teams can spend more time on customers, innovation and long-term growth."*

**Pete Kalet, Group Head of GBS**



## Managing performance through GBS

GBS continues to play a central role in how we manage performance across the Group. By using common tools and routines, we are building a consistent and disciplined approach to identifying issues, prioritising actions and driving improvements that make a measurable difference to operational performance.

GBS tools enable our teams to track performance in real time, understand the root causes of variation, and focus on the actions that deliver the greatest value. This structured approach provides clarity for colleagues at every level, supports better decision-making and reinforces a culture where continuous improvement becomes part of day-to-day work.

During the year, we saw strong adoption of Daily Management practices, with over 50% of our sites now using Daily Management tools to evaluate performance and engage the workforce in resolving issues at source. These routines give teams clear visibility of operational metrics, encourage proactive problem-solving and strengthen accountability at a local level.

As we expand the reach of GBS across the Group, we expect Daily Management and other core GBS practices to become increasingly embedded. This will support more consistent performance, enable faster escalation and resolution of issues, and continue to build a stronger, more improvement-focused culture across our operations.

# Over 50%

of sites now use Daily Management tools to evaluate performance and engage the workforce in resolving issues at source



## Case study: Sky Garden production facility kaizen




### Accelerating improvement through GBS

To support the Group's lean transformation and embed GBS, a targeted kaizen event was delivered at the Sky Garden production facility. The event focused on improving production flow, and strengthening day-to-day operational control in order to increase site throughput and support growth.

#### What we did

- Reorganised the facility layout to improve efficiency, enhance workflow and create a safer working environment for colleagues.
- Introduced Daily Management routines to track performance, identify areas for improvement and drive consistency in delivery.
- Brought together cross-functional colleagues to analyse processes, map issues and co-design solutions.

#### Our Trademark Behaviours in action

-  **We take ownership:** colleagues took responsibility for diagnosing issues, shaping solutions and committing to follow-up actions that ensure long-term impact.
-  **We find a better way:** teams challenged existing practices, used data to uncover root causes and designed improvements that are simple, effective and sustainable.
-  **We work together:** the kaizen brought over 20 colleagues from across the Group together, fostering open collaboration and strengthening shared accountability for results.



*"The best part of the Sky Garden kaizen was seeing colleagues from different areas come together with one goal – to make the work safer, easier and more efficient."*

**Dawid Schornak, Production Manager, Sky Garden**

Click or scan here to view our case study video



### Building capability

Aligned with the lean principle of 'leaders teach and develop others', the kaizen acted as a hands on development forum. Participants gained practical problem-solving skills, strengthening operational confidence and expanding GBS expertise.

### Impact

This kaizen event helped to create a more efficient, safer and better-organised production environment, while establishing Daily Management disciplines that will support continuous improvement across the facility.





Click or scan here to view  
our case study video



## Case study: Rainwater operations at Polypipe Building Products


### Driving efficiency and flow through GBS


As part of our ongoing roll-out of GBS, a focused improvement event was delivered within the Polypipe Building Products rainwater operation. The activity centred on optimising workflow, improving line balance and strengthening the daily routines required to support consistent, high-quality performance.


#### What we did

- Mapped end-to-end processes to understand key constraints and sources of waste along the rainwater production flow.
- Redesigned workstation layouts and material presentation to reduce movement and support safer, more ergonomic working conditions.
- Introduced structured daily performance discussions to track output, highlight issues early and build stronger operational discipline.
- Supported teams in developing simple, visual standards to improve clarity and consistency across shifts.

#### Our Trademark Behaviours in action

 **We take ownership:** operators and team leaders took responsibility for analysing performance, identifying bottlenecks and driving improvement actions.

 **We find a better way:** colleagues used data-driven problem-solving to challenge long-standing routines and design clearer, more efficient ways of working.

 **We work together:** cross-functional teams collaborated to streamline processes, ensuring that improvements reflected the needs of production, planning, maintenance and quality.

#### Lean principles in action

Reflecting the lean principle of 'Go and See', teams spent time at the production line observing how work was actually performed, identifying real-world obstacles and validating improvement ideas directly with colleagues doing the job. This hands-on engagement strengthened process understanding, built trust and ensured that solutions were grounded in practical reality.

### Impact

The rainwater improvements have delivered a safer and more efficient production environment, enabled smoother product flow, and strengthened Daily Management routines. These enhancements support ongoing performance gains and reinforce a culture of continuous improvement across the Polypipe Building Products site.



*"Seeing immediate results from ideas generated on the shop-floor showed just how much potential we unlock when we listen to the people closest to the work."*

**Ben Wingfield, Operations Director,  
Polypipe Building Products**



### Looking ahead

Our October 'Your Voice' survey asked colleagues whether they understood how GBS contributed to improving their day-to-day work and the results highlighted a clear opportunity. Whilst many colleagues see the benefits of specific improvement activities, overall awareness of GBS and understanding of its direct impact on the working environment can be strengthened.

In 2026, we will continue to build visibility and understanding of GBS across the Group by increasing the impact of the kaizen events we deliver. A significant proportion of these will focus on sustainability and safety, aligning our improvement activity with our core-value-drivers and reinforcing the role that GBS plays in enabling long-term value-creation. We also want more colleagues to experience GBS first-hand, through participation in kaizen events in their area during the year.

During 2025, the vast majority of kaizen events were facilitated by the central GBS team. To embed GBS more deeply and sustainably, our ambition for 2026 is to increase the number of trained facilitators across the Group. Through dedicated facilitator development programmes, we aim to build a community of 30+ trained facilitators, enabling improvement activity to be driven locally and occur more frequently throughout the year.

Strengthening communication will also be a priority. We will enhance how we share success stories, highlight best practices, and demonstrate the tangible benefits of GBS. By making outcomes more visible, we aim to help colleagues better understand the difference that GBS can make – both to their own working environment and to the Group's operational performance.

Together, these actions will support wider adoption of GBS, build capability at scale, and ensure that continuous improvement becomes increasingly embedded in how we work.

# Health, Safety and Environment

At Genuit Group, health, safety and wellbeing remain at the core of our operations. We strive to create a workplace where every employee, contractor, and visitor can work safely and return home unharmed. Our approach is built on proactive risk management, continuous improvement, learning from incidents and each other and fostering a culture where each of us looks out for one another.



2025 saw another robust performance in terms of both leading and lagging health, safety and environment (HSE) Key Performance Indicators:

- Leaders have continued to lead from the front. Our senior leaders at sites are now routinely conducting monthly Leadership Tours, including at our newly-acquired sites. There has been an average of 80 tours per month throughout 2025.
- Employees have continued to engage and contribute to identifying, reporting and resolving hazards and near misses in relation to which 32,000 were reported in 2025. Furthermore, close-out rates are now at 88%.
- Lost Time Accident rate improved by 34%.
- Minor accident frequency continues to improve and is now at its lowest recorded rate of 2.91%, a 23% improvement on 2024.

We have continued to improve our ability to investigate incidents thoroughly, getting to root causes and identifying robust and effective preventative actions. The advanced investigation training which commenced in 2024 is now being rolled out to all those involved in incident investigations. To date we have trained over 200 investigators. In addition, to ensure we are supporting a 'Just and Fair' culture and avoiding blame when investigating, 16 of our HSE personnel undertook a two day training course in Human Factor Analysis. The team have been trained in two advanced techniques that help them analyse intentional behaviours and unintentional behaviours, identifying why people behaved the way they did; a central pillar in a continuous improvement mindset.

Armed with these insights, we have been able to develop corrective actions that help avoid repeats by re-designing workplaces and processes to eliminate unsafe practice. We also have a rigorous process for ensuring we learn from any issues through our Group-wide Sharing and Learning email alert system.

The Genuit Blue HSE Audit programme has been instrumental in establishing clear and consistent HSE standards across all sites. By setting defined expectations and providing a structured framework for compliance, the programme has driven alignment and standards throughout the organisation.

Its rigorous assessment process has not only highlighted areas for improvement but also facilitated best practice sharing, particularly during the integration of newly-acquired businesses. The latest audit results demonstrate a significant positive trend, with sites reflecting a stronger safety culture and improved operational discipline. The four sites of our new acquisitions will undergo their first audit during 2026 after which, best practice solutions will be shared to address any gaps and accelerate improvement.

Six sites stepped forward to take part in our first 6S kaizen 'competition'. 6S is an approach that combines the principles of Sort, Set in order, Shine, Standardise, and Sustain, commonly used in manufacturing processes, with the important additional factor of Safety.

### Sky Garden Ryall Site

Before



After



All six kaizens were a great success in terms of safety, efficiency, productivity and quality gains but also improved employee morale and cross-site engagement and support. The 2025 winners, Aylesford and Sky Garden, were each treated to a team lunch along with a £1,000 donation to a charity of their choice.

In 2025, we strengthened our commitment to employee health and wellbeing by outsourcing our Occupational Health (OH) provision to a specialist provider, ensuring consistent and high-quality support across the Group. We expanded access to physiotherapy services to help employees manage musculoskeletal health and increased the availability of our external counselling service to provide timely mental health support. During 2026 we will also extend our wellbeing support in a programme to deliver a more personalised and proactive approach to wellbeing,

leveraging digital tools and data-driven insights to support our people in leading healthier, more balanced lives.

The integration of our four newly-acquired businesses has been successful. Each site has undergone an initial HSE 'health check' to establish baseline standards and identify priority areas for improvement. They have been fully linked into Genuit's ways of working and are now included in all Group reporting data, ensuring transparency and alignment. In January 2026, these sites will undergo a comprehensive Genuit Blue HSE Audit, which will provide a deeper assessment and accelerate their understanding and improvement journey. This structured approach ensures that best practices are shared across the Group and that our strong safety culture extends seamlessly to every part of the organisation, regardless of the length of time a business has been in the Group.

### Key Performance Indicators

Frequency per 100,000 hours worked.

|                           | 2022 | 2023 | 2024 | 2025        |
|---------------------------|------|------|------|-------------|
| Minor Accidents           | 4.35 | 4.04 | 3.79 | <b>2.91</b> |
| Lost Time Accidents       | 0.73 | 0.71 | 0.68 | <b>0.45</b> |
| HSE Reportable Accidents* | 0.26 | 0.42 | 0.30 | <b>0.17</b> |
| Fatalities                | 0    | 0    | 0    | <b>0</b>    |

\* HSE reportable accidents based on specified injuries and the current 7-day absence from work requirement in the UK and although there is no direct equivalent in Mainland Europe or the Middle East, the same definition is applied.



We believe our purpose and strategy come to life through an engaged workforce united by a shared culture and a spirit of collaboration. Our ambition is clear; to attract exceptional talent, unlock the full potential of our people, and foster behaviours that drive success.

We are focused on creating an outstanding employee experience by investing in our people, advancing diversity and inclusion, and strengthening how we listen and act on colleague feedback. Through meaningful development, inclusive practices, and data driven improvement, we are supporting colleagues to thrive whilst

delivering clear business benefits – from retaining key talent to building stronger collaboration and continuous improvement across the Group.

Together, we're building a workplace where every voice matters, every individual thrives, and every team contributes to shaping a stronger, more innovative future.

# People and Culture



# Creating a great place to work

## Our people are at the heart of everything we do

67%\*

Overall participation

7.1

Engagement score, out of 10

**The engagement score is made up of the responses to four key questions:**

- 01 **Engagement:** How likely is it you would recommend Genuit Group as a place to work?
- 02 **Loyalty:** How likely is it you would stay working here if offered the same job at another organisation?
- 03 **Belief:** How likely is it you would recommend our products or services?
- 04 **Satisfaction:** Overall, how satisfied are you working here?

The future success of our business depends on an engaged, motivated and skilled workforce that shares a common purpose and culture.

We know that when colleagues feel valued, empowered, and connected, they bring their best ideas, energy, and commitment. This drives innovation, collaboration, and sustainable growth.

By investing in our people and creating an environment where everyone can thrive, we are building the foundation for long-term sustainable success and shaping a business that is stronger, more inclusive, and ready for the challenges of tomorrow.

Our colleague engagement survey, Your Voice, is our key method for understanding what people like about working at Genuit, and what we need to improve.

In 2025, we ran two surveys; a pulse with a reduced question set in April, and a full survey in October.

In October, we saw an increase in overall engagement of 0.1 from the previous year. At a local level, businesses implemented action plans as a direct result of the feedback provided by their colleagues.

We saw positive sentiment around goal setting, where colleagues told us that they knew what was expected of them day-to-day, and were aware of how the work they did contributed to team objectives.

They also told us that Genuit felt like an inclusive place to work – where people could be themselves, with people of all backgrounds being accepted for who they are.

A graphic for the 2025 'Your Voice' survey. It features a large orange speech bubble containing the year '2025' in white. Below it, the words 'YOUR VOICE' are written in a bold, dark blue font. To the right is an illustration of a woman with dark hair, wearing an orange striped shirt, holding a smartphone and a coffee cup. Above her are icons of a heart, a lightbulb, and a star. At the bottom, a white box with an orange border contains the text: 'Survey Opens 6 OCTOBER' and 'Survey Closes 24 OCTOBER'.

#yourvoicematters



### Looking ahead

During 2026, we will focus on what matters most to our people: growth, reward, and recognition. These priorities come directly from what colleagues have told us, and we are committed to turning feedback into action. Across the business, tailored plans are already in motion to address these focus areas, ensuring every colleague feels supported and valued.

Our People and Culture plan is aligned to these priorities, providing a clear and structured roadmap for progress. By listening to colleagues, learning from their feedback and taking action, we are building momentum for sustained year-on-year improvement. We are shaping a workplace where everyone feels supported to thrive and succeed, and where our people capabilities continue to strengthen business performance.

We also recognise that understanding of our strategy is not yet consistent across the organisation. In our most recent survey, those at the lowest end of our pay scale rated their understanding of how their role contributes to the Group's strategy 1.8 points lower than colleagues at the highest pay levels. This insight reinforced the need to strengthen how we connect our strategy to everyday roles.

We will ensure we keep our colleagues informed of our progress against our strategy, with regular updates and the opportunities to ask questions. Building on this, we will anchor our communications to our strategy, ensuring colleagues at every level understand how what we are doing contributes to our shared goals and how their performance directly supports the success of the business.

\* Your Voice survey October 2025

# Listening to and learning from our people

Gathering feedback from our colleagues is an ongoing commitment. This is why we are committed to creating multiple ways for our people to share their views from surveys and forums, to open conversations and digital platforms.

By responding to feedback with meaningful action, we strengthen trust, drive engagement, and ensure that every voice contributes to shaping the future of our business.

In addition to our Your Voice survey, we operate a wide range of formal listening channels across the Group, ensuring colleagues have regular, accessible opportunities to share feedback and raise concerns.

These include listening groups, drop-in sessions and colleague representative network forums that support open and constructive dialogue at every level.

In addition, formal colleague engagement forums are embedded within Nuairé, Adey and Polypipe Civils and Green Urbanisation.

In 2025, the Colleague Connect Group met regularly with leaders to share colleague

perspectives, raise issues and cascade updates back into their teams, strengthening two-way communication across their businesses.

Alongside these formal forums, colleagues remain connected to their leadership teams and to one another through regular huddles, team briefings and Group-wide Townhall sessions.

These sessions provide updates on key activities and priorities, while also creating space for questions, discussion and direct engagement with leaders.

Together, these channels form a robust and inclusive listening framework, supporting transparency, trust and meaningful colleague involvement across the Group.



### Looking ahead

During 2026, we intend to explore the opportunity to extend Colleague Connect as a Group-wide colleague network, making listening a cornerstone of our people strategy.



**Amanda Whitehead-Foltyn**  
Employed since June 2015. Recently appointed as Internal Sales & CRM Manager at Polypipe Building Products

“It’s important to attend Colleague Connect meetings to be the eyes and ears of the employees and pass it back to teams. For years, employees have said there’s no communication between the business and them, now that link is there and they should use the opportunity to communicate and have their voice heard.”



**Kevin Rogan**  
Employed since February 2023. Currently in the position of Stores Person at Mason Pinder.

“My first motivation for joining Colleague Connect was to keep my colleagues in the loop about changes and improvements throughout the business. The objectives for the Group are now changing towards a more social outlook, but can still play a big part in workplace morale and wellbeing.”

# Engaging through Viva Engage

In September 2025, we took a major step forward in how we connect as a business. When Meta retired Workplace, we took the opportunity to unify our communications and strengthen collaboration across the Group.

We successfully transitioned colleagues to **Viva Engage**, part of the Microsoft 365 suite, extending the power of Teams and SharePoint to all colleagues, whether on a PC, shared device or personal device. This move allowed us to leverage our existing Microsoft investment, simplify access with single sign-on, and lay the foundation for the planned rollout of Workday Payroll and Absence modules in April 2026.



## Looking ahead

Currently, most engagement on Viva Engage comes from PC users. Our goal in 2026 is to bring a greater proportion of colleagues onto the platform through their personal devices, so connection and collaboration are always at their fingertips.

We will also unlock more of Viva Engage's potential to create richer, more interactive experiences. This includes hosting live Townhalls directly in Viva Engage on key topics such as financial results and strategy updates, making it easier for everyone to join the conversation.

We also plan to introduce 'Ask Me Anything' sessions with our Executive Leadership Team; designed as open forums for colleagues to ask questions, share ideas, and connect directly with leadership.

Our focus for 2026 will be to break down barriers, amplify voices, and ensure every colleague feels informed, involved, and connected, wherever they are.

**Engage is our new home for conversation at Genuit**

Adoption of Viva Engage has exceeded expectations:

**60%+**

of colleagues have activated accounts, and content is routinely viewed by more than **50% of active users**, a significant increase from Workplace.

This change also enabled us to retire multiple third-party communication apps, bringing everyone together on one secure, integrated platform. Today, every business has its own dedicated community, and we can share consistent, timely messages across the Group. This has created a single space for collaboration, conversation, and culture.



# Celebrating individuality, driving collective success



## D&I in 2025, Your Voice survey questions:

**7.7 Overall D&I**  
I'm satisfied with Genuit Group's efforts to support diversity and inclusion (for example, in terms of gender, ethnicity, disability, socio-economic status).

**7.8 Diversity**  
I believe Genuit Group is a diverse workplace (for example, in terms of gender, ethnicity, disability, socio-economic status).

**8.4 Inclusiveness**  
At Genuit Group, people of all backgrounds are accepted for who they are.

**8.0 Non-discrimination**  
I'm confident I won't be discriminated against at Genuit Group.

In 2025, as part of our commitment to diversity and inclusion (D&I), we proudly launched five D&I colleague networks. Each network is led and managed by passionate colleagues, with a dedicated chair and co-chair who meet regularly with their ELT sponsor, our Chief People Officer.

These networks have created safe spaces for conversation, advice, and support. They are open to everyone, fostering allyship and understanding across our business. Through their Viva Engage communities, they share resources and personal stories, answer questions and run fundraising activities. This helps colleagues feel supported, connected, and empowered to bring their whole selves to work.

A key focus for our D&I networks is helping other colleagues across the Group understand what being part of their community means. Education is a key focus for each network so more colleagues they work and interact with are aware of and understand the challenges they face, and can help to overcome them.

Together, these networks are shaping a culture where inclusion is something we live every day across the Group.

### Reach

We're committed to fostering open dialogue and education around ethnicity, encouraging representation and inclusion at every level of the organisation. We'll challenge bias, celebrate diverse cultures, and help shape inclusive policies that reflect and respect the richness of our workforce.

### Smile

We're committed to removing barriers and unlocking the untapped talent and unique perspectives of disabled colleagues. Through social mobility initiatives and inclusive practices, we'll create opportunities for under-represented groups and make Genuit a great place to work – whatever your needs.

### EmpowHER

We're here to celebrate, empower, and support the brilliant women across our organisation. By challenging barriers and biases, sharing insights and best practice and influencing policy, we'll promote equity and create a workplace where everyone can thrive.

### The Shed

We're building a safe and supportive community where men feel empowered to seek help, share experiences, and prioritise self-care – without judgement. Through open conversations and awareness-raising, we're working to break down stigma and make mental health a topic everyone can talk about.

### Queer Collective

This is a safe and welcoming space for LGBTQ+ colleagues and allies. It's a place to learn, celebrate, connect, and share experiences. Together, we'll support events, initiatives, and moments that matter like Pride, and other key dates throughout the year.

## Communication

Our D&I networks have been sharing helpful and insightful content with members since they were launched in September. This includes links to resources, examples of lived experiences, support and advice.

Our EmpowHER network provided resources and advice during October to support Menopause Awareness Month. As a direct result of the positive response from colleagues around this activity, we produced a menopause guide for leaders, designed to help them better handle conversations around this topic.



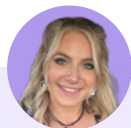
"These networks create the kind of community where people feel valued not just for what they do, but for who they are – and that's incredibly powerful."

**Aynsley Bolt,**  
Credit Control Manager at Nuaire  
Queer Collective Network Chair

"Our networks matter because they give people a place to be truly seen and heard – and that sense of belonging can change someone's whole experience at work."

**Jan Murray,**  
Head of HR and  
EmpowHER Network Chair

## Celebrating individuality, driving collective success continued



"I was so proud to represent Genuit and Polypipe Building Products at Doncaster Pride. The atmosphere was incredible – joyful, welcoming, and full of energy. Marching with our Pride-wrapped lorry and celebrating with the crowd made me feel truly connected to our purpose. I'll definitely be back next year, and I hope even more of us join in."

**Rosie James**  
Graduate – General Management



### Pride

We believe everyone deserves to feel safe, respected and valued, particularly in the workplace. Creating an environment free from fear of judgement is fundamental to our commitment to our people.

Genuit Group and Polypipe Building Products were proud headline sponsors of Doncaster Pride this year. Our rainbow liveried lorry took pride of place in the parade as colleagues from our Doncaster sites joined the celebrations, standing together with the local community. It was a visible demonstration of our commitment to inclusion and allyship.

During the event, Joe Vorih, our CEO, spoke passionately about why Pride matters to us as a business, reinforcing the importance we place on creating environments where people can be themselves and feel a true sense of belonging. Moments like these reflect our culture in action.

It is vital that our colleagues know they work for a business that supports them. Inclusion is not just something we talk about; it is something we actively champion, every day.

### Why colleague involvement in our D&I networks matters

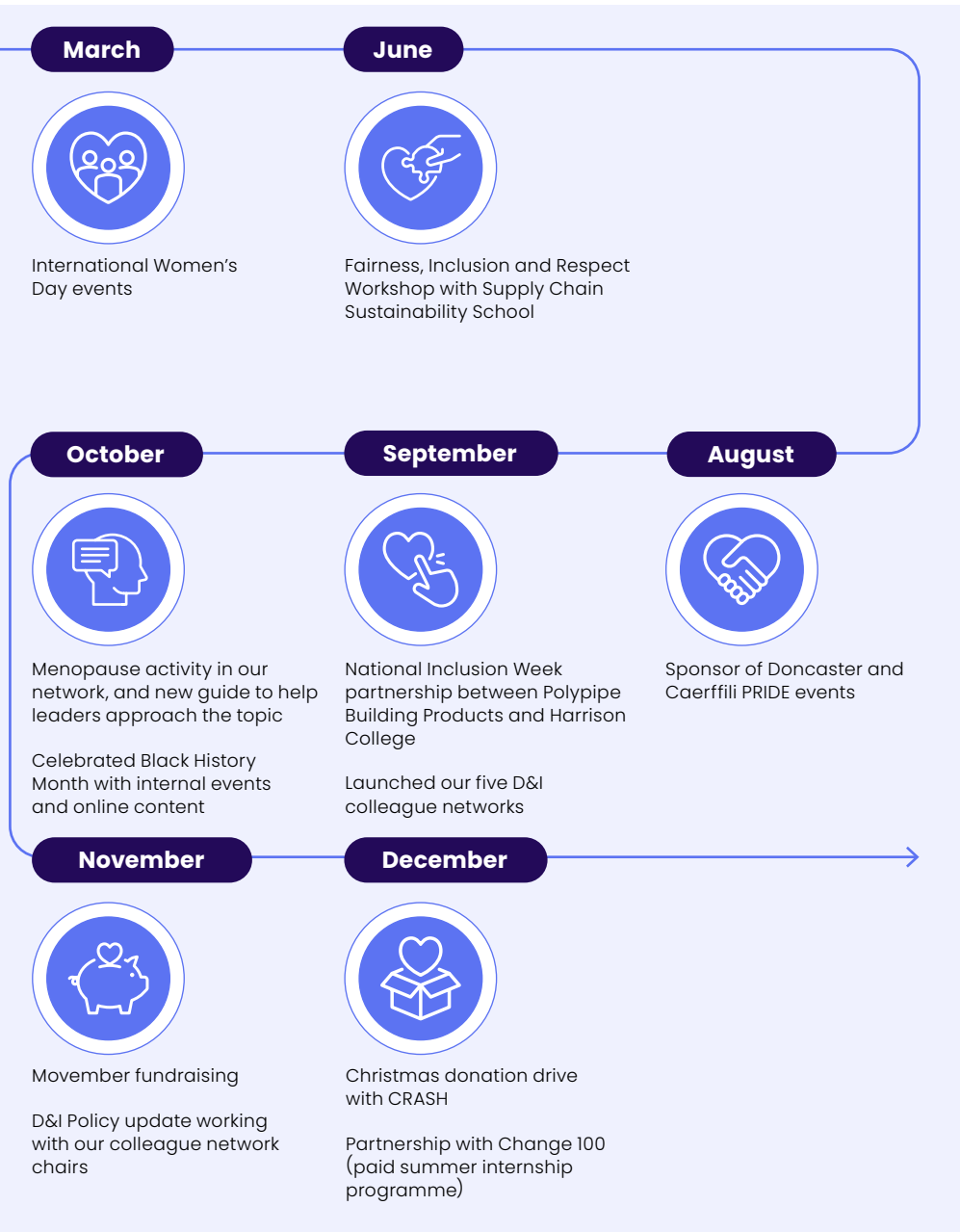
Our D&I networks are central to creating a workplace where everyone feels they belong. Greater involvement brings more voices, lived experiences and perspectives into the conversation, helping us better understand our people and shape initiatives that reflect real needs. Visible, active networks also foster connection and psychological safety, reinforcing that inclusion matters to everyone and that difference is genuinely valued.



### Looking ahead

During 2026, we want to increase participation in our D&I networks, encouraging more colleagues to get involved as members, allies or advocates.

By doing this, we will further embed inclusion into everyday working life, strengthen our culture and performance, and ensure our networks continue to provide meaningful insight and challenge – supporting inclusive, shared progress across the Group.



**Looking ahead**

During 2026, we will continue our focused programme of events aligned to key dates in the D&I calendar, shining a spotlight on moments that matter to our colleagues and communities. Working together, our colleague networks will create meaningful experiences, designed to celebrate difference, encourage dialogue and strengthen our shared sense of belonging, both within individual networks and across the wider Group.

We will also extend our corporate support of Pride events in towns where we have a presence, reinforcing our commitment to inclusion not only within our workplaces but across the

communities in which we operate. By showing up locally and visibly, we aim to be an active ally and a positive force for inclusion beyond our own organisation.

Our ambition is to make Genuit Group a place where every person can thrive, grow and feel genuinely valued. By continuing to listen, learn and take action together, we are building a culture where inclusion is not just a statement of intent, but a lived experience for everyone.

# Unlocking potential, driving progress

Progress made during 2025

## 70%

of senior leaders have now completed our Genuit Leadership Programme (GLP), designed to create empowered, skilled leaders who lead and inspire their teams to success

## 94

internal promotions which 37 were female

## 18.9%

of UK colleagues are in recognised learning pathways, reflected by our continued accreditation as a Gold member of The 5% Club



## 33%

of Genuit Leadership Team positions held by women



"I joined the Group a year ago and would wholeheartedly encourage anyone to pursue an apprenticeship – it's a powerful way to learn, grow, and build a meaningful career. The hands-on experience has been well-suited to my learning style, and the group sessions have helped me connect practical knowledge with deeper theoretical understanding."

**Courtney-Faye Morgan**  
HR Apprentice at Polypipe Civils and Green Urbanisation

To build broader capability, we encouraged secondments, cross-functional collaboration, and exposure to different areas of the business, providing valuable opportunities to develop new skills, gain fresh perspectives, and strengthen internal networks. Informal learning remained an important part of our culture, with colleagues sharing expertise, shadowing peers, and contributing to improvement projects throughout the year.

Our digital learning platform, Workday Learning (launched in 2024) played a central role in supporting accessible development for all. In 2025, colleagues completed mandatory and optional learning modules via Workday, demonstrating strong engagement with the resources available to them.

These initiatives collectively ensured that every colleague had the opportunity to grow, develop and build the skills needed for today and for the future of the Group.

Developing talent at every level is essential to our future success. Feedback from our Your Voice survey made it clear, colleagues want more opportunities to grow, progress, and make an impact. In response, we are focusing on driving talent development, unlocking potential, and equipping our people with the tools to develop themselves, support others, and strengthen Genuit Group. By investing in growth and creating a culture of continuous learning, we are building a Group where every individual can thrive and contribute to shaping a stronger, more innovative future.

### Learning and Development

In addition to our formal programmes, 2025 saw significant focus on expanding development opportunities across the Group. Colleagues were supported to take ownership of their growth through self-directed digital learning, regular coaching and development conversations, and robust one-to-ones with their managers. We continued to make effective use of the Apprenticeship Levy, enabling colleagues to pursue accredited training, including academic study and professional qualifications relevant to their roles.

## Early careers and future talent

In 2025, we continued to invest in building a strong pipeline of future talent across the Group. To support attraction, our teams attended 15 career fairs across the UK, strengthening our visibility and engagement with early-career talent.

Our graduate programme remained a key element of this strategy, with our 2025 intake joining from a wide range of academic and technical backgrounds. Our graduates benefited from a broad range of learning experiences during the year, including participation in the Brathay Leadership Programme, attendance at the Birmingham Health & Safety Conference, and involvement in specialist industry events aligned to their roles. Many graduates are also progressing towards professional qualifications,



“Moving from Finance Director into a Strategic GBS role gave me the breadth and confidence to shape a different future for myself. The support I received – especially after returning from maternity leave – helped me look beyond finance and make a move that aligned with my long-term aspirations. That sideways step showed me that careers at Genuit grow in many directions, not just upward.

When you speak openly about your goals and have leaders who listen, development is possible at every stage.”

**Naomi Pitt**  
Strategic Deployment GBS Lead

supported through exam preparation and funded memberships with relevant professional bodies and institutes.

We continued to expand our partnerships with organisations that help us reach diverse and emerging talent. This included our work with 10,000 Interns Foundation, our ongoing relationship with Change 100, and project-based collaboration with Sheffield University students on research and innovation assignments. Our commitment to supporting the next generation also extended into local communities through our links with Harrison College and initiatives supporting learners within the prison education system.

Our ongoing summer internship programme proved to be a valuable route into permanent employment. Several interns successfully transitioned into full-time roles within the Group, demonstrating the strength of this pathway in identifying and nurturing talent early.

Across colleges, academies and outreach programmes, we remained focused on training the next generation of Genuit Group employees. These partnerships help build essential skills and provide young people with meaningful insight into our industry and the opportunities it offers.

## Building Genuit leadership skills

Our Genuit Leadership Programme (GLP) continued to strengthen the skills and capability of our senior leaders. In 2025, our fifth cohort successfully completed the programme. Delivered in partnership with PeopleWise, the GLP provides a series of modules focused on self insight, leading others effectively, and driving change and business performance. The programme equips leaders across the Group with a practical, evidence based toolbox they can apply in their roles. In total, 70 senior leaders have completed the programme to date.



## Looking ahead

During 2026, we will continue to invest in the development of our people, building a learning and leadership environment that supports colleagues at every stage of their career. Our focus is on creating a coherent, multi layered suite of development programmes that strengthen capability across the Group and equip our leaders to inspire, engage and deliver.

We will introduce a structured competency framework that defines what great leadership looks like within Genuit Group. This will enable us to be clear about the technical, behavioural and managerial skills required for success and support everyone to reach their full potential.

Our learning offer will expand to include both technical and behavioural development, from core skills such as presenting, communication and digital fluency, to deeper functional knowledge in areas like marketing and specialist technical disciplines. We will also continue to build leaders' confidence in managing sensitive conversations, particularly in relation to mental health and wellbeing.

To increase access and flexibility, we will launch a self-serve digital learning library, giving all colleagues the opportunity to develop at their own pace across a broad range of topics. We will also strengthen our approach to internal mobility, ensuring we make full use of the talent within our business and provide meaningful career pathways supported by targeted development.

Our performance and talent processes will continue to evolve, with a sharper focus on high quality development conversations, succession planning and maximising performance across the organisation. We will also explore opportunities to further leverage funding to support colleague progression and build future capability.

Together, these initiatives will help us create a consistent, scalable approach to people development that supports our long term growth ambitions and enables every colleague to thrive.

# Our Trademark Behaviours

Launched in 2024 and co-created by colleagues from across the Group, our Trademark Behaviours (TMBs) define how we work together to deliver sustainable success.

## Our TMBs



### We work together

- by understanding and respecting our unique differences
- through collaborating and supporting, to achieve more
- by recognising the efforts and contributions of others



### We take ownership

- always acting with health, safety and wellbeing in mind
- by striving for excellence in what we do
- through our commitment to doing the right thing



### We find a better way

- through using our voice and actively listening
- by positively challenging the way we do things
- by seeking the right solution

Our TMBs reflect what our people value most while setting clear expectations for the behaviours that drive performance.

The TMBs sit at the heart of our culture and underpin everything we do. They guide how leaders and colleagues collaborate, make decisions and support one another, helping to create an inclusive, trusting environment where people feel empowered to perform at their best. By aligning behaviours across the Group, the TMBs strengthen accountability, teamwork and consistency, enabling delivery today while building capability for the future.

Awareness of the TMBs is strong, and they are embedded into our approach to recognition and reward. Throughout 2025, we celebrated colleagues and leaders who brought the behaviours to life through their actions and impact. These examples were regularly shared through Townhalls, Viva Engage and local team meetings, reinforcing the positive behaviours that contribute to both a strong culture and performance.

During 2025 we recognised colleagues from across the Group by celebrating individuals who consistently lived our TMBs and who made a meaningful contribution to our people, our culture and the results we deliver as a business.



### Looking ahead

In the October Your Voice survey, we asked colleagues whether they were aware of our TMBs and whether they saw them demonstrated in practice. While awareness remains strong, the results highlighted an opportunity in 2026 to strengthen how consistently the TMBs are brought to life in day-to-day working environments.

In response, we will place greater emphasis on clearly describing what the TMBs look like in action, including how they apply across different roles, teams and leadership levels. By making the TMBs more tangible, we aim to support colleagues in embedding them more consistently into daily activities.

Alongside this, we are exploring a new Group-wide recognition programme aligned to the TMBs, making it easier for everyone to acknowledge and celebrate great work. Together, these initiatives will help reinforce our desired culture, strengthen accountability and ensure our TMBs continue to support both engagement and performance across the Group.

7.9

I know what the Trademark Behaviours are

7.1

I see the Trademark Behaviours in action

# A People and Culture plan designed to power the future success of the Group

Looking ahead, we have a clear People and Culture plan, built on guiding principles:

### One Group-wide people plan

All business plans will align to a single, cohesive Group-wide People Plan. This ensures consistency, clarity, and shared priorities across the organisation.

### A common employee value proposition

Every colleague, regardless of location or Division experiences the same core promise of what it means to work at Genuit.

### Standard work to drive effectiveness

We will adopt common processes and frameworks to improve efficiency, reduce duplication, and deliver a seamless experience for our people.

### Data-led decision making

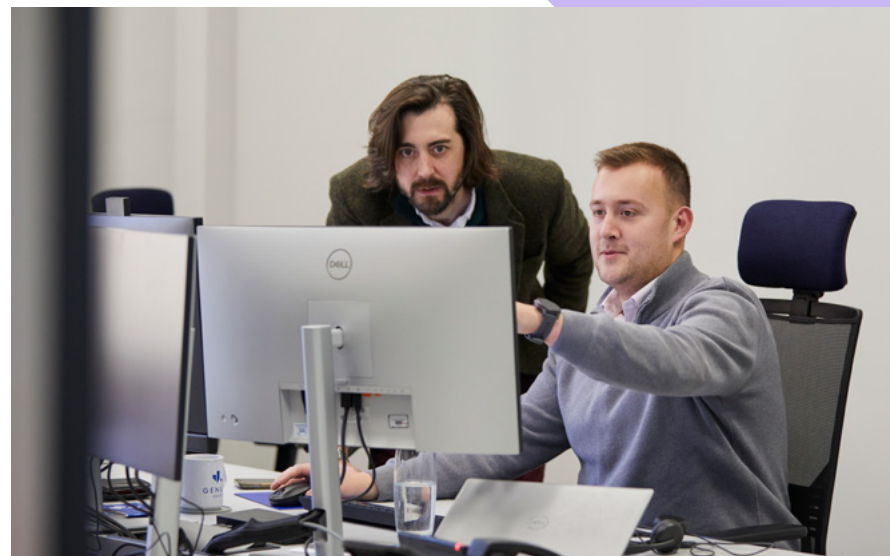
Decisions will be grounded in robust data and insights, enabling us to act with confidence and measure impact.

### Owned by all colleagues

Our People Plan is not intended as just an HR initiative – it belongs to everyone. Leaders and teams play an active role in bringing it to life.

### Regularly communicate progress

Transparency matters. We will share updates often, celebrate milestones, and keep everyone informed on how we're tracking against our goals.



The plan consists of six focus areas, each designed to promote the creation of an environment where every colleague can thrive and grow, feel their contribution is valued and rewarded, and where they can be themselves.



### Develop world-class leaders

We share a vision for inspirational leadership that drives our strategy and provides impactful development. Our strong leaders are role models across the business. We work as a unified leadership team to drive strategic priorities efficiently and effectively.



### Optimise our ways of working

We have a clear, aligned operating model that supports delivery and enables seamless cross-functional planning and execution.



### Harness the power of one team

Our people understand and embrace the power of working for Genuit Group, and our local businesses. We live our TMBs and use the GBS tool to drive results.



### Drive high performance

People managers actively nurture and develop colleagues to drive performance, recognising what colleagues deliver, and how they do it. The opportunity to grow and develop is part of the fabric of our business.



### Create a great place to work for all

Genuit Group is recognised as a great place to work with a compelling employer brand, where every colleague feels a sense of belonging and inclusion. All colleagues have opportunities to learn and grow.



### Build HR excellence

The HR Team is a credible and trusted partner to the Group. We work as one function enabled by modern processes, technology and capabilities. Our team is recognised as a place to grow a career in HR.

# Engaging with our stakeholders

Our purpose, 'Together, we create sustainable living', recognises the value that diverse perspectives bring, and the importance of collaboration.

Effective engagement with our stakeholders is crucial for building strong, effective and mutually beneficial relationships for the long term. By fostering a culture of collaboration, direct engagement, mutual respect and transparency, we effectively work together with our stakeholders to achieve our purpose. This engagement enhances our ability to meet our strategic objectives whilst building a more inclusive, sustainable and resilient business.

### Our key stakeholders

Our key stakeholders are integral to the Group's long-term strategy. The Executive Leadership Team is responsible for ensuring that their needs form part of everyday decision-making on behalf of the Board. Using the feedback received from senior management on these needs, the Board considers and then makes its strategic decisions against the backdrop of what it considers to be in the best interests of the long-term success of the Company.





# Engaging with our employees

## How we engage

We use a combination of formal listening tools and ongoing engagement forums to address the topics that are material to our employees. This includes town halls, business briefings, formal engagement surveys and employee engagement forums. Our biggest innovation during 2025 was the introduction of Viva Engage (to replace Workplace by Meta) as our internal social platform. Engagement is further enhanced through one-to-one meetings and personal development reviews.

| Key topic  | Outcome   |
|--|---|
| <b>Group-wide employee engagement survey</b>   | Group survey results were shared openly with the Board, senior leaders and employees, increasing transparency and strengthening trust in the process. This enabled data-driven conversations and supported managers to develop meaningful, locally owned action plans, ensuring that feedback translated into targeted improvements, reinforcing accountability and helping teams focus on the areas most material to our employees, these being recognition, growth and reward.  |
| <b>Launch of Viva Engage as our internal social platform, combined with extending Teams and SharePoint access to all employees</b> | This created a single, connected digital system for the entire workforce. By enabling access via shared or personal devices, we brought colleagues across every site, shift and function onto one platform for the first time. This has strengthened communication, provides increased visibility of Group updates, improves collaboration and helps our employees feel more connected to one another and to the business.  |
| <b>Reward and pay across the Group, and supporting retention in lower-paid roles</b>   | We made significant steps forward in our ongoing commitment to fairness and sustainability, aligning some of our businesses to the Real Living Wage, ensuring our pay practices remain competitive, equitable, and fit for the future. Early retention improvements have been noted in these businesses, and this has had a positive impact on recruitment and on our employer brand. We derecognised Community and Unite trade unions in some of our businesses, enabling more agile pay decision-making aligned with business needs. We also extended our Holiday Purchase Scheme to a broader population of colleagues, providing greater flexibility and improving work-life balance. |

## Challenges

Ensuring that employees bought into and engaged with Viva Engage. Cost-of-living pressures and retention. Improving engagement rates in completion of Group-wide pulse/full engagement surveys. Onboarding of new employees into the Group, including acquisitions.

## Value

A reduction in voluntary turnover and improvement in retention rates across the Group. Reduced vacancy pressure and increased operational stability. Enhanced visibility of employee achievements, improving cultural alignment and a sense of belonging through recognition schemes. Better insights into retention hotspots, enabling targeted interventions based on Your Voice scores and local action plans. Strengthened communication culture, with higher engagement on Viva Engage and high attendance at Townhalls.

## Solving a critical skills gap

Setters' roles are highly specialised positions within our manufacturing operation at Polypipe Building Products, requiring detailed knowledge of specific machinery and processes used on site, making the job difficult to recruit for externally. Within Polypipe Building Products, this created a growing risk around skills dependency, operational resilience and long-term succession. Feedback gathered through our Your Voice survey and regular team-level conversations highlighted increasing frustration linked to long-term vacancies in Setter roles, including a workload imbalance and pressure on a small number of experienced individuals.

Currently, five Setter apprentices are progressing through the programme, with further opportunities being planned to support succession and future demand. Numbers are kept manageable to ensure that learners receive appropriate support and to maintain safety and quality on the shop floor. This approach has helped create a sustainable pipeline into a critical technical role, supporting both immediate operational needs and longer-term workforce planning.

We drew on established expertise from within the sector to design our Setter Academy. Through existing industry contacts, we engaged with an experienced lecturer who had been delivering Setter-related training for many years who understood both the technical requirements of the role and how these skills are best developed in practice, and designed a programme that accurately reflected the realities of Setter roles within Polypipe Building Products. This ensured that the Academy and apprenticeships were practical, credible and aligned with the organisation's equipment, processes and standards, while also meeting the requirements of the relevant apprenticeship standard.



### Actively listening and taking action

Following the 2025 Your Voice Survey, proactive action planning was crucial to our businesses and functions to enact positive changes and improve overall engagement across the Group.

Climate Management Solutions (CMS) showcased a great example of this in action with their 'You Said, We Did' campaign. Focus areas were identified by Peakon using the results of the survey, based on the scores. These were then distributed to businesses and functions across CMS to ensure that they were accurate and realisable. This initiative brought

together a group of colleagues driven to identify actions and establish what CMS would commit to work towards improving our overall engagement and employee value proposition. The 'You Said, We Did' campaign was communicated to employees during Townhalls to keep them updated on progress and demonstrate that the senior leaders were holding themselves accountable and taking ownership of enacting change, in alignment with the Group's Trademark Behaviours.

#### What did CMS deliver as part of their 'You Said, We Did' campaign?

Introduction of **CMS Townhalls** – improving **communications**

**Progression route** identified across CMS customer operations – taking the **growth** of our colleagues seriously

Launching our monthly **infographic** to update our colleagues – **strengthening communication channels**

**Training plans** and skills matrix introduced in production – **grow** your career with us

Revamped our **Long Service Awards** to recognise more of our valued colleagues – **reward** and **recognition**

Continuing our **facility improvements** within the factory and offices – improving the **work environment**

Well-deserved extra **time off** before Easter – **rewarding** our colleagues for great results

Made **temporary posts permanent** within the warehouse – sharing the **workload**

Improving our **Team Briefings** across several functions – improving **communications**

Supporting more colleagues with their **continuous personal development** – investing in our colleagues' **growth**

Rewarding our **lowest-paid** colleagues and implementing clearer pay bands – fairly **rewarding** our colleagues

**Upskilling** our managers using our Nuaire Futures programme – **growing** our manager capability



## Engaging with our shareholders

### How we engage

We conduct investor roadshows following our full year and half year results, hold our Annual General Meeting each year and conduct ad hoc investor meetings as required. During the year, we attended several investor conferences with different banks in London and visited investors in France, Germany, Sweden and the United States of America. Site visits were held at Polypipe Building Products and Adey for small groups of analysts and investors, to demonstrate the strategic progress of the Group. Our Chair offered our ten largest shareholders face-to-face meetings, which are an effective way for us to solicit feedback on our investor engagement and progress against our strategy.

| Key topic   | Outcome   |
|---|---|
| <b>Feasibility and opportunity for Genuit with the UK Government's commitment to delivering new housing targets, regulatory changes in the water sector and readiness for the Future Homes Standard</b> | Updates on the content, timing and impact of the upcoming Future Homes Standard on the Group, including ways in which we are engaging with customers in preparation. Additional information on Genuit's role in helping to manage the next water budget cycle, aimed at solving sewer overflow issues, giving confidence to shareholders. |
| <b>The Group's route to its medium-term margin targets and management of performance in the face of a challenging macro outlook</b>   | Evidence of growth through the Group's M&A agenda and the successful acquisitions of Monodraught and the Davidson group of companies, as well as organic growth and operational efficiencies through the deployment of GBS.   |

### Challenges

Navigating the uncertain economic and political environment. Building confidence in the UK market and its growth position over the next five years.

### Value

Increased shareholder confidence in the strategic goals and outlook of the Group with both overseas investors and those within the UK. Retention of a strong register of highly supportive investors. Progressive dividend payments providing shareholder value despite ongoing UK market headwinds.



# Engaging with our customers

## How we engage

We engage with industry bodies such as the Future Homes Hub, where our customers are similarly represented, and hold regular customer meetings with end-customers, merchants, social housing groups, national house builders and water companies. We also interact with the technical and innovation teams of our customers. We attend industry dinners and, for some customers, hold quarterly review meetings and give presentations. We engage in tenders and support regular top-to-top sessions with key customers. We are improving our synergy selling capabilities across the Group to continue to provide a wide range of climate-related solutions.

| Key topic   | Outcome  |
|---|--|
| <b>Increasing demand for carbon and sustainability data</b>   | Holding face-to-face meetings and interacting with technical and innovation teams allows us to provide innovative solutions to customers, drive EPD creation to include key products and provide reliable carbon data. We continue to support our businesses in their provision of EPDs and TM65s. Provision of tools and information through sales teams, as well as placing sustainability in increasingly accessible tools.   |
| <b>Pricing integrity and market competition</b>   | We have employed a number of mechanisms in respect of price integrity and market competition by engaging in tenders and taking proactive approaches for our customers in providing value-add solutions using a solution-sell methodology. We place focus on customer service, including high levels of technical support, and as a result, we have gained market share in the civils arena. By embedding our relationships with a number of developers, they see us as a partner to help solve their challenges.   |
| <b>Compliance with new regulations such as Awaabs' Law and the Future Homes Standard (FHS), managing bottlenecks in the commercial buildings market generated by the Building Safety Act and subsequent demand for stage 2 planning approvals</b> | In order to support any safety bottlenecks, we have sought to improve our customer service and delivery lead time, for example promoting the Polypipe Building Services Advantage service, which can provide our customers with an overall lead time reduction on site. We have used solution-selling techniques to gain technical and commercial approval for FHS solutions to ensure that our customers are well-positioned for adoption of the standard when it is released. We have given more technical guidance around topics such as Awaab's Law and the FHS. |

## Challenges

Addressing stormwater and sewer overflow challenges and understanding what solutions customers require to solve installation problems, including speed and system integrity. Adapting to regulatory changes and customer cash flow challenges. Support through the bottlenecks in the commercial buildings market caused by demand for stage 2 planning approvals.

## Value

We create better solutions by working with our customers and truly understanding their needs, culminating in long-term relationships and growth for Genuit. Increase in barrier-to-entry value-add solutions sales driving cost out of the transaction, such as value engineering solutions, makes us more flexible and well positioned to address customer needs.

## GoBig Underfloor Heating Solutions



As legislation changes, the shift from gas based high-temperature radiator solutions to low-carbon and low-temperature solutions is likely to create unprecedented demands on skills and labour within the industry, as well as on supply chains. This represents a real risk to the ability of the industry to maintain continuity of supply. GoBig is an approach we have developed to enable our new housebuilder

customers to be able to provide a low-carbon low-temperature heating system that meets the legislative demands of the FHS (using an Underfloor Heating (UFH) solution), fitted as a standard design across their full estate. This means it can be delivered at scale and on time using technically optimised designs, with minimal installation error and warranty risk.

This is at a cost that is comparable with traditional plumbing and radiator solutions, providing a compelling value proposition for homeowners. As part of this service, Polypipe Building Products design, kit out and deliver the solution to site and provide approved installers, using digital solutions to validate the integrity of the installation in real time, thereby assuring our customers of the technical compliance of the install to the design. By working seamlessly with our strategic customers in this way, we are able to mitigate these risks.

This creates further value for our customers through faster project completion and mitigates failing to adhere to the critical path of any build programme. ASHP and UFH compatibility provide the assurance that the solution delivered meets the heating needs of the property for which it has been designed. The solution meets energy efficiency targets (Standard Assessment Procedure (SAP) Part L compliance and F). The inclusion of after-sales support, based on our extensive knowledge of products and common issues, provides education for the home buyer and ongoing service and support outside of the warranty period.

**“By working seamlessly with our strategic customers in such a way, we are able to mitigate some of the key risks they face.”**

**Tony Brayford, Commercial Director  
Water Division**



# Engaging with our suppliers

## How we engage

Supplier relationship and performance management (face-to-face) meetings are one method of engagement, supplemented by virtual meetings as necessary and ad hoc engagement as required. We collect new supplier credentials through onboarding processes and assure ourselves of their ethical behaviours, sustainability and creditworthiness. We conduct one-to-one meetings with suppliers on sustainability issues, with a clear focus on climate change. We ensure that our procurement team are equipped with the skills they need to engage effectively with our suppliers, placing focus on the sourcing cycle and the importance of completing category strategy plans to support suppliers' contracts of supply, to strengthen due diligence processes and support the introduction of robust contracts with suppliers.

| Key topic  | Outcome   |
|--|---|
| <b>Carbon reduction and alignment with the Science Based Targets initiative (SBTi), alongside increasing the use of recycled materials</b> | As a result of our commitment to the SBTi, we collaborated with our suppliers and updated the Group Procurement Policy, Supplier Code of Conduct and Sustainable Supplier Sourcing Policy. These updates ensured alignment with evolving regulatory requirements, sustainability commitments and ethical standards. Policies were shared across the Group to reinforce compliance and our expectations of suppliers. This increased efficiency and compliance, delivered faster contract turnaround times and improved compliance with sustainability and ethical standards, as well as further progress towards carbon reduction goals and improved ESG ratings. |
| <b>Risk mitigation strategies to safeguard the continuity of supply and prevent cost escalation</b>  | We enhanced our contractual provisions detailing delivery obligations, risk-sharing clauses, and cost-indexation mechanisms. This continuity of supply protects against price volatility, fostering stability and trust in supplier relationships. We worked with our suppliers to establish process and capability improvements, delivering contracts to mitigate these risks, whilst collaborating and establishing stronger supplier relationships.  |
| <b>Compliance with Modern Slavery Act regulations and adherence to ethical practices and effective governance</b>                          | We increased vendor due diligence, prioritising high-risk categories such as low-salaried labour services (e.g., cleaning and waste management). Additionally, we deployed Moody's Supply Chain Risk Tool for ongoing monitoring. This targets due diligence and risk analytics, which strengthen compliance, reduce reputational risk, and enables proactive intervention in supply chains.  |

## Challenges

Geopolitical events, creating more disruption for suppliers. Lower demand and increased costs, with expectations of credible sustainability data. Changing regulations and expectations of suppliers, and risks of small suppliers experiencing financial difficulty.

## Value

Realised annualised savings and mitigated risk. Improvements in supplier relationships, better understanding of requirements, removal of waste, and improvements to supplier delivery performance. Working capital improvements through inventory reduction. Improved ethical standards. Uplift in volume of EPDs.

## Sustainable Supplier Sourcing Policy



**“We have improved communication and trust with our suppliers when it comes to material being delivered and the product trials we conduct.”**

**Emily Bates, Group Procurement Director**

Genuit Group has a Science Based Targets initiative (SBTi) target that requires our suppliers to have a climate change target aligned with, or validated by, the SBTi. Since 2021, our scope 3: category 1 emissions profile has changed, as many suppliers have decreased their emissions. This means that a greater breadth of material types will need to have climate change targets. In December 2025, our Group Procurement function collaborated with our Group Sustainability function to make key updates to the Sustainable Supplier Sourcing Policy to reflect this need. The update extended the mandatory requirement for suppliers to have a climate change target aligned with or validated by the SBTi from polymer suppliers to also include steel,

electronic and electrical equipment (including printed circuit boards) and other materials. These account for more than 2% of the Group's scope 3: category 1, total carbon emissions. These changes to our Sustainable Supplier Sourcing Policy support the Group's own SBTi target.

During 2025, our Group Procurement and Sustainability functions held one-to-one engagement sessions with key suppliers, covering a range of topics including sustainability and science-based targets. This facilitates suppliers in providing the Group with information on their journey towards tackling climate change, enabling the Group to provide an update on its own strategic aims.



# Engaging with our communities

## How we engage

We engage directly with our local communities through local trusts, creating opportunities for students to develop their business knowledge and learn entrepreneurial skills, including leadership and business modelling. We host environmental tidy days, beach cleans, and engage with local river trusts where relevant. We are heavily involved in educational initiatives, teaching about heating, engineering and the reduction of carbon emissions. We collaborate with local colleges, support charities and provide sponsorship for local schools, community groups and sports teams. We are corporate patrons of the charity CRASH, which is a UK construction industry charity that addresses homelessness and helps hospices with vital construction projects.

| Key topic   | Outcome  |
|---|--|
| <b>Supporting local initiatives that affect inclusion and wellbeing</b>   | Recognising the challenges our communities face in maintaining local initiatives that support wellbeing and inclusion, we provide support through our businesses to vulnerable or elderly residents of the community as well as sports clubs for young children, which includes sponsoring football clubs, and working with CRASH to provide healthy and safe night accommodation for the homeless.  |
| <b>Improving the standard of education specifically in the plumbing industry, and the pipeline of students moving into employment</b> | This is a key focus for our businesses, as we support young talent within our industry in preparing for their future. These areas of expertise are often underfunded and, with fewer young people entering the trade, the industry faces the loss of critical expertise, which hinders business performance and industry growth. We host training sessions, offer apprenticeships and work experience, and provide products for training bays to encourage the younger generation to obtain specialist experience in plumbing and associated products. |
| <b>Impact of climate change and the ways in which Genuit Group helps to mitigate</b>  | Participation in sessions at climate events and within local groups, such as the Scouts, to educate on excessive water use and city stress from over-heating, cooling and water.   |

## Challenges

Cost of living challenges within local communities, job losses and reduced education opportunities. Fewer young people entering the plumbing industry, which faces a loss of critical expertise, threatening business performance, industry growth and the availability of suitably qualified, experienced plumbers to meet consumer demand. Continued focus on the impact of climate change on our environment, especially flood elevation and mitigation and the pace of changing regulations, and the need to educate communities. Support to the elderly and vulnerable areas of the population, including the creation of winter survival packs.

## Value

Reducing the impact of our activities on the environment. Genuit brand awareness and the development of reputation. Nurturing the next generation and improving recruitment opportunities. Increase of young talent in graduates and apprentices, providing work experience opportunities. Increased brand and product familiarity with plumbers of the future.

## Supporting young talent

As part of our initiative to engage within our communities and sponsor young talent, we had a cohort of summer interns join during 2025. One was placed within our Group Sustainability function, helping the team on key projects that are pivotal to shaping our Sustainable Solutions for Growth strategy. Part of this role included exploring our ambition to being the lowest-carbon supplier of choice, and the output gave us valuable insights into market positioning, and helped identify opportunities to reduce environmental impact and deliver greater sustainable value to our customers. We are proud that our intern was recognised for her hard work at the Generation 4 Change Yorkshire and Humber Awards, where she was awarded 'Sustainability Champion of the Year', demonstrating how impactful these schemes are for promoting young talent and to the Group as a whole.

## Protecting our environment

Caring for our environment is always at the top of our agenda. During 2025, one of our Polypipe Civils and Green Urbanisation Technical Sales Managers organised a beach clean-up at Bournemouth beach, following a busy bank holiday weekend. We teamed up with some of our merchant and contractor partners, and were joined by members of the Keyline Civils Specialist, Mildren Construction Limited and MATA Construction Limited teams.

## Salamander Pumps providing education within the industry

One of our 2025 acquisitions, Salamander Pumps (part of the Davidson group), has been proactively supporting their local colleges through numerous education initiatives during the year. Their team successfully delivered interactive training sessions to Level 2 and Level 3 plumbing students, ensuring that learners received up-to-date instructions on typical domestic plumbing systems, and gained familiarity with the Salamander Pumps product range. They strengthened hands-on learning by providing free-of-charge products for installation within college training bays, allowing students to practice real-world installation techniques. As part of these initiatives, they supplied training collateral to drive ongoing student learning on domestic systems and water-boosting solutions, including display boards and posters.

13 colleges were visited, with multiple training sessions delivered at all locations. This has enhanced the learning experience for plumbing students, encouraging future careers in plumbing, in addition to increasing brand awareness, product understanding and installation quality, and improving relationships with training providers and colleges.

## Section 172 statement

The Board recognises that effective engagement with stakeholders is critical to achieving long-term sustainable success, and the needs of our different stakeholders are regularly considered by the Board. This section 172 (s172) statement gives further insight into some of the decisions taken by the Board, where key stakeholders have influenced those decisions.



**1** The likely consequences of any decision in the long term

**Key s172 consideration**

**Page**

- Business model & strategy **16**
- Non-financial and sustainability statement **86**
- Stakeholder engagement **76**



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

**Key s172 consideration**

**Page**

- Business model & strategy **16**
- Non-financial and sustainability statement **86**
- Stakeholder engagement **76**



**5** The desirability of the Group to maintain a reputation for high standards of business conduct

**Key s172 consideration**

**Page**

- Health, safety and environment **63**
- Whistleblowing **135**
- Internal controls **133**
- Risk management **126**
- Non-financial and sustainability statement **86**



**2** The interests of the Group's employees

**Key s172 consideration**

**Page**

- People and culture **65**
- Health, safety and environment **63**
- Stakeholder engagement **76**
- Employee engagement **77**



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

**Key s172 consideration**

**Page**

- Purpose **1**
- Greenhouse gas emissions **41**
- Sustainability **32**
- TCFD **46**



**6** The need to act fairly as between members of the Company

**Key s172 consideration**

**Page**

- Stakeholder engagement **76**
- Dividends **224**
- Strategy **17**



## How the Board complied with its s172 duty

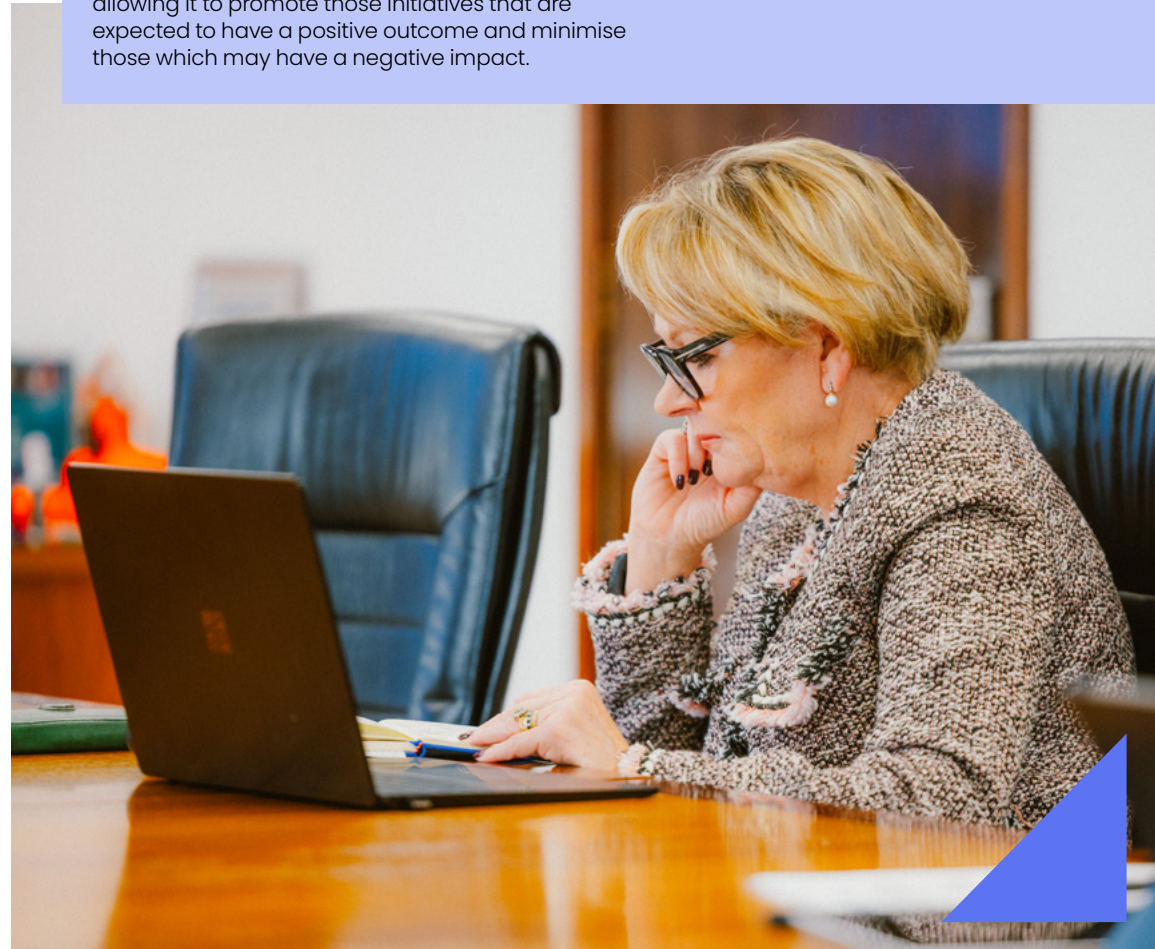
Adequate consideration of key stakeholder groups in Board decisions has always been part of Board discussions and the decision-making process at Genuit. The Board promotes the success of the Company for the benefit of its shareholders as a whole, whilst having regard to other stakeholders. The Board uses varying methods of engagement, depending on the stakeholder, to ensure that it is fully informed of their needs. These include but are not limited to: press releases, announcements, roadshows, site visits, surveys, one-to-one contact, newsletters, forums, emails, videos and Townhall leadership sessions.

## Key decisions in 2025

Our governance processes enable the Board to consider the interests of all stakeholders, having regard to all the relevant factors to select the course of action that best leads to high standards of business conduct and the success of the Group in the long term.

Effective engagement ensures that the Board is fully aware of any potential issues and likely impact, allowing it to promote those initiatives that are expected to have a positive outcome and minimise those which may have a negative impact.

This allows for detailed and thorough discussions at meetings, enabling a considered, informed and balanced approach to decision-making. In performing their duties during 2025, the Directors have had regard to the matters set out in s172 of the Companies Act 2006, as demonstrated within this statement and elsewhere in the Annual Report and Accounts.



## Approval of new Enterprise Resource Planning (ERP) system

### Context

The Group operates a variety of information systems that are key to operations, and it was identified that as a result of this, it may be unable to leverage the latest technologies or effectively realise the benefit from programs to transform systems capability. As a result, during the year, the Group decided to source a new Group-wide ERP system, which involved finding a platform provider in addition to an effective systems integrator.

### Customers

The customer experience was considered as part of the decision-making process, as the successful implementation of a new ERP system will make the customer-facing experience more efficient and effective.

### Supplier

The Board considered the positive impact that a more modern and sophisticated system would have on its suppliers, understanding those realised benefits of an efficient supply chain process.

### Shareholders

The Board considered the impact that the legacy ERP systems would have on the Company's ongoing operations and future performance, and how this might impact future returns to shareholders.

### Outcomes and impact

The Board approved the appointment of a chosen software vendor and systems implementation partner, and to proceed with a 'Vision and Validate' phase during 2026.



### Employees

A key priority during the decision-making process was to ensure that employees were involved in the decision-making process, given they are critical to the successful implementation of a new ERP system across the Group.

### s172 considerations



## Approval of acquisitions

### Context

In line with the Group's long-term strategy for growth and purpose, the Board approved the acquisitions of Monodraught and the Davidson group of companies during 2025, having prioritised and considered the long-term consequences of these acquisitions on its stakeholders.

### Shareholders

The Board considered the potential synergies and financial benefits of the acquisitions in the context of the Group's strategy, as well as the environmental credentials of the target businesses. It also considered the benefit that the acquisitions would bring to shareholders in terms of the long-term growth of the enlarged Group and potential returns.

### Customers

It was key to the decision-making process that the acquired businesses would provide further synergies and increase the portfolio of products and solutions available to our customers.

### Communities

The Board considered the impact of the additional sites and operations in the context of climate change and local communities.

### Outcomes and impact

The Board approved each acquisition and Monodraught and the Davidson group of companies joined the Group in August and September 2025, respectively.



### Employees

A key priority during the decision-making process was to ensure that the employees of both the acquired and current businesses into which they were integrated would be supported, to ensure an efficient and effective onboarding process.

### s172 considerations



## Approval of the appointment of Britta Giesen

### Context

A key responsibility of the Board and the Nomination Committee relates to Board succession and composition, to ensure there is an appropriate balance of skills, experience, diversity and independence on the Board. Britta Giesen was appointed to the Board on 27 October 2025, and as a former CEO and given her overseas listed company experience, it was believed her executive and international experience would be beneficial to the current Board composition. In addition, Britta has lean experience and specialist ESG experience, which adds further diversity of thought to Board discussions.

### Shareholders

The Board considered the skills, knowledge and experience required at Board level to support delivery of the Company's strategy and returns for shareholders. The Board considered Britta's knowledge and experience across sectors, and her sustainability roles as noted above, and determined that these would complement the current skills, diversity and composition of the Board.

### Employees, customers and communities

Diversity of thought at Board level will drive better decision making, which will ultimately positively impact all stakeholders.

### Outcomes and impact

The Board approved Britta's appointment, given her knowledge and broad experience, in particular in relation to sustainability and executive leadership, which is an area identified as requiring enhancement within the 2025 reported Board skills matrix.



s172 considerations

- 1
- 2
- 3
- 5

## Approval of a new organisational structure

### Context

During the year, the Board reviewed and approved a proposal from the Executive Leadership Team to consolidate our Sustainable Building Solutions (SBS) and Water Management Solutions (WMS) Business Units, to leverage cross-business opportunities in the water sector, remove silos and leverage synergies. The Board approved the proposal, and the outcome resulted in the creation of our new Water Division with effect from 1 January 2026, to sit alongside our Climate Division (formerly CMS).

### Shareholders

The Board considered the benefits of the restructure and the potential impact on the long-term growth of the Group in the execution of its strategic objectives.

### Customers

This organisational change will improve the experience for our customers, with one Division that is focused on solving challenges they experience in the water sector, as opposed to them having to engage with various businesses to benefit from their different products. This creates better alignment for our customers and more synergies for the Group.

### Employees

This will improve communication pathways for employees, leveraging knowledge from SBS to WMS, given the simplification of the organisational structure. This will also result in structural efficiencies, realised through improving leadership reporting lines and support systems.



### Communities

Given the prominence of water-related challenges, bringing together our various businesses into one Division will help us find better and more efficient solutions for our communities.

### Outcomes and impact

The Board approved the restructuring and changes to the organisational structure, to enable further successful delivery of the Sustainable Solutions for Growth strategy.

s172 considerations

- 1
- 2
- 3
- 4
- 5

# Non-financial and sustainability information statement

The following table, in addition to our TCFD Report on pages 46 to 58, details the non-financial information required by section 414CB of the Companies Act 2006 and highlights where more information can be found elsewhere within the Annual Report and Accounts.

| Non-financial information reporting requirement   | Development and actions   | Our impact and any related principal risks                      | Page       |
|---|---|---|------------|
| <b>Environmental matters</b><br>– Advancing the circular economy<br>– Tackling climate change<br>– Task Force on Climate-Related Financial Disclosures (TCFD)                   | Providing solutions to the environmental challenges facing infrastructure, buildings and communities is at the heart of the Group's strategy and growth agenda. The Group has science-based targets (SBTs) with initial targets to achieve by 2027, as well as formulating its detailed transition plan to reduce CO <sub>2</sub> e emissions as part of its Pledge to Net-Zero and an increase in its use of recycled polymers.  | – Our business model  | <b>16</b>  |
|   |   | – Non-financial KPIs  | <b>24</b>  |
|   |   | – TCFD  | <b>46</b>  |
|   |   | – Sustainability and net-zero transition plan                   | <b>44</b>  |
|   |   | – Principal risk 5 – climate change                             | <b>92</b>  |
| <b>Employees</b><br>– Talent development<br>– Developing apprentice and graduate careers<br>– Diversity & Inclusion ambition<br>– Health and safety<br>– Culture and behaviours | As part of its efforts to consolidate and promote a healthy culture, the Group places its focus on motivating and developing its employees so they feel valued and engaged with the strategic direction of the Group, and understand the contribution they can make to its growth. Attracting and retaining a diverse workforce and investing in employees' future opportunities is of paramount importance to the Group, as can be seen from initiatives such as the Graduate Scheme, our Apprentice programme, our Genuit Leadership Programme and our Gold membership of The 5% Club.  | – People and Culture  | <b>65</b>  |
|   |   | – Health, safety and environment                                | <b>63</b>  |
|   |   | – Stakeholder engagement  | <b>76</b>  |
|   |   | – Principal risk 6 – recruitment and retention of key personnel | <b>92</b>  |
|   |   | – Principal risk 9 – health, safety and environmental           | <b>94</b>  |
|   |   | – Governance and culture  | <b>107</b> |
| <b>Social matters</b><br>– Developing sustainable solutions   | The Group is committed to carrying out its business responsibly and ensuring that it promotes sustainable operations and minimises adverse environmental and social impacts. Employees are actively encouraged to participate in initiatives within their communities which reduce the impact of climate change and to offer support and education to their local communities.  | – Stakeholder engagement  | <b>76</b>  |
|   |   | – People and Culture  | <b>65</b>  |
| <b>Human rights</b>   | The Group has a standalone Human Rights Policy and Anti-Slavery Policy. Our Modern Slavery Act transparency statement is available on the Company's website, within which we state our zero-tolerance approach to any modern slavery or human trafficking rights violations. The Group has a supplier onboarding process for new suppliers, which includes requiring suppliers to sign up to our Supplier Code of Conduct and Sustainability Code of Conduct and that they conform to ethical working practices and to confirm they are aligned with our environmental targets. The Group also has a Diversity Policy which is reviewed and approved by the Board on an annual basis. | – Nomination Committee Report                                   | <b>117</b> |
|   |   | – Stakeholder engagement  | <b>76</b>  |
|   |   | – Principal risk 2 – raw materials supply and pricing           | <b>90</b>  |
| <b>Anti-corruption and anti-bribery</b>   | The Group seeks to prohibit all forms of bribery and corruption within its businesses and complies with the requirements of all applicable anti-bribery and corruption laws. The Group requires all relevant employees to confirm bi-annually that they have complied with the Group's Anti-Bribery and Corruption Policy, and periodic audits of compliance with the policy are carried out by the Internal Audit function.  | – Audit Committee Report  | <b>129</b> |
|   |   | – Principal risk 8 – breach of legislation                      | <b>93</b>  |

# Principal Risks and Uncertainties

Effective risk management is fundamental to our strategy and performance. Our ability to identify, assess and effectively manage current and emerging risks is critical to how we position the Group to create value in the face of uncertainty whilst delivering positive outcomes for all our stakeholders on a long-term, sustainable basis.

## Risk management framework

Risk management is integral to our Group and to achieving our strategy. Our risk management framework makes sure that we manage risks in a simple, consistent and structured way. This helps us achieve our goals, deliver our strategy, support our business model and protect our assets, whilst delivering positive outcomes for all our stakeholders on a long-term, sustainable basis. We align our risk management activities with our strategic framework, business planning and performance management. This helps integrate risk thinking into key decision-making areas.

## Risk management governance

The Board has overall responsibility for risk management and for maintaining a robust risk-related internal control environment. It is responsible for determining the nature and extent of the principal risks that the Group is willing to take to achieve its strategic goals. The amount of risk is assessed within the context of our strategic priorities and the external environment in which we operate, and is referred to as our risk appetite. The Board is central to the Group's risk review process, including the scenario planning and detailed stress testing associated with the Group's Viability Statement.

To support the Board, the Risk and Audit Committees provide essential oversight and assurance. The Risk Committee (comprising the Executive Leadership Team and chaired by the Chief Financial Officer) specifically reviews the effectiveness of risk management and internal control processes throughout the year. At the strategic level, this top-down evaluation of risks ensures that our risk management is focused on the principal risks facing our business and considers our key risks across the Group in aggregate, as well as seeking to identify emerging risks.

The Risk Committee is accountable for the effective management and reporting of principal and emerging risks across the Group. It also monitors the operation of our risk-related internal control environment. The Head of Internal Controls and Group Internal Audit Director support the Risk Committee in embedding and ensuring the effectiveness of risk-related internal controls across the Group's operations, culture, and decision-making processes.

At the operational level, the day-to-day management of risk is embedded within our businesses and is integral to the way the Group conducts business.



This bottom-up approach ensures that potential risks are identified at an early stage and are escalated appropriately. Ownership of operational risks resides within each business and Group function through designated risk owners, with risks managed at source, and appropriate mitigations (including risk-related internal controls) put in place. The Business Unit and Group function risk owners each maintain a detailed risk register, that is regularly reviewed by the Risk Committee. Significant and emerging risks are formally reported to the Risk Committee at least every six months, though this often extends to every quarter in line with Risk Committee scheduling. Internal audit acts as an objective assurance function by evaluating the effectiveness of our risk management and internal control processes through independent review and rotational testing.

With this approach, the Group operates a 'three lines of defence' model of risk management, with operational management forming the first line, the Risk Committee and other assurance roles forming the second line, and finally, internal audit provides the third line of defence.

## Risk rating and appetite

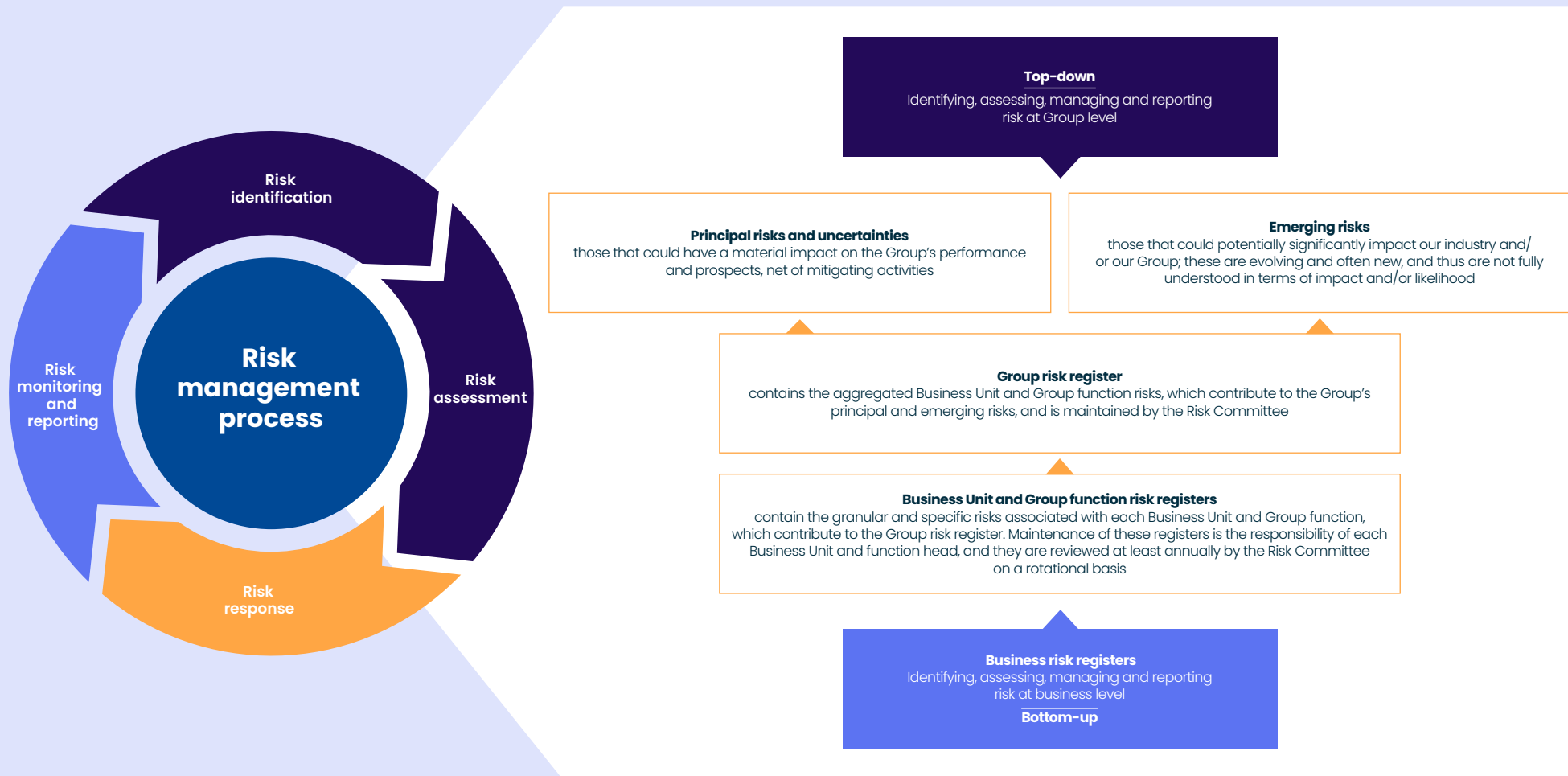
The Board determines our risk appetite, which is at the core of our risk management approach, guiding our business planning, decision-making and strategy execution. The Group's risk appetite is reviewed annually and approved by the Board, and is embedded within our risk-related internal controls. We regularly review our risk appetite using a risk dashboard with key risk indicators (KRIs) for each principal risk, along with specific tolerances to help us assess whether our risk exposure aligns with our appetite or could threaten the achievement of our strategic goals. These risk indicators are a mixture of leading and lagging indicators, with forecasts provided where available, which inform discussions at Risk Committee meetings.

Whilst our risk appetite may vary over time and during the course of the cycle, we maintain a balanced approach to achieving long-term, sustainable value. During the year, we have formally reviewed our risk appetite, including clear risk appetite statements, tolerances (low, medium or high) and treatments (reduce, maintain or increase) for each principal risk.

Principal Risks and Uncertainties continued

**Risk management process**

The Board continually assesses and monitors the Group’s principal and emerging risks. The Group has developed a risk management framework to identify, assess, manage and report the various risks that it faces. This process is as follows:



As part of the risk assessment process, risks are; analysed, allocated owners, scored for both impact and probability to determine the exposure for the Group, prioritised, assessed for what mitigating actions are required and updated at least every six months. KRIs are monitored to ensure that the Group identifies any changes to these risks and, if relevant, updates mitigating actions on a timely basis.

### Principal risk assessment

During the year, the Board has again undertaken robust assessments of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity, as well as the Group's strategy. The Board does not consider that the fundamental principal risks and uncertainties facing the Group have materially changed during the year. However, our current

assessment shows an increase in the 'Failure of information systems or cyber breach' risk reflecting the increasing frequency and volume of cyber-attacks.

The key changes and assessments are summarised in the following Group risk profile and principal risks tables, detailing the key potential impacts on our Group, KRIs, mitigations, developments in 2025 and, where relevant, emerging risks.

| Principal risks                                  | Link to strategy | Change in risk assessment in year | Risk treatment category |
|--|------------------|-----------------------------------|-------------------------|
| 1 Macroeconomic and political conditions         |                  | —                                 | Reduce                  |
| 2 Raw materials supply and pricing               |                  | —                                 | Reduce                  |
| 3 Failure of information systems or cyber breach |                  | ↑                                 | Reduce                  |
| 4 Reliance on key customers                      |                  | —                                 | Maintain                |
| 5 Climate change                                 |                  | —                                 | Maintain                |
| 6 Recruitment and retention of key personnel     |                  | —                                 | Maintain                |
| 7 Execution of M&A strategy                      |                  | —                                 | Maintain                |
| 8 Breach of legislation                          |                  | —                                 | Maintain                |
| 9 Health, Safety and Environmental               |                  | —                                 | Maintain                |

### Other Group risks

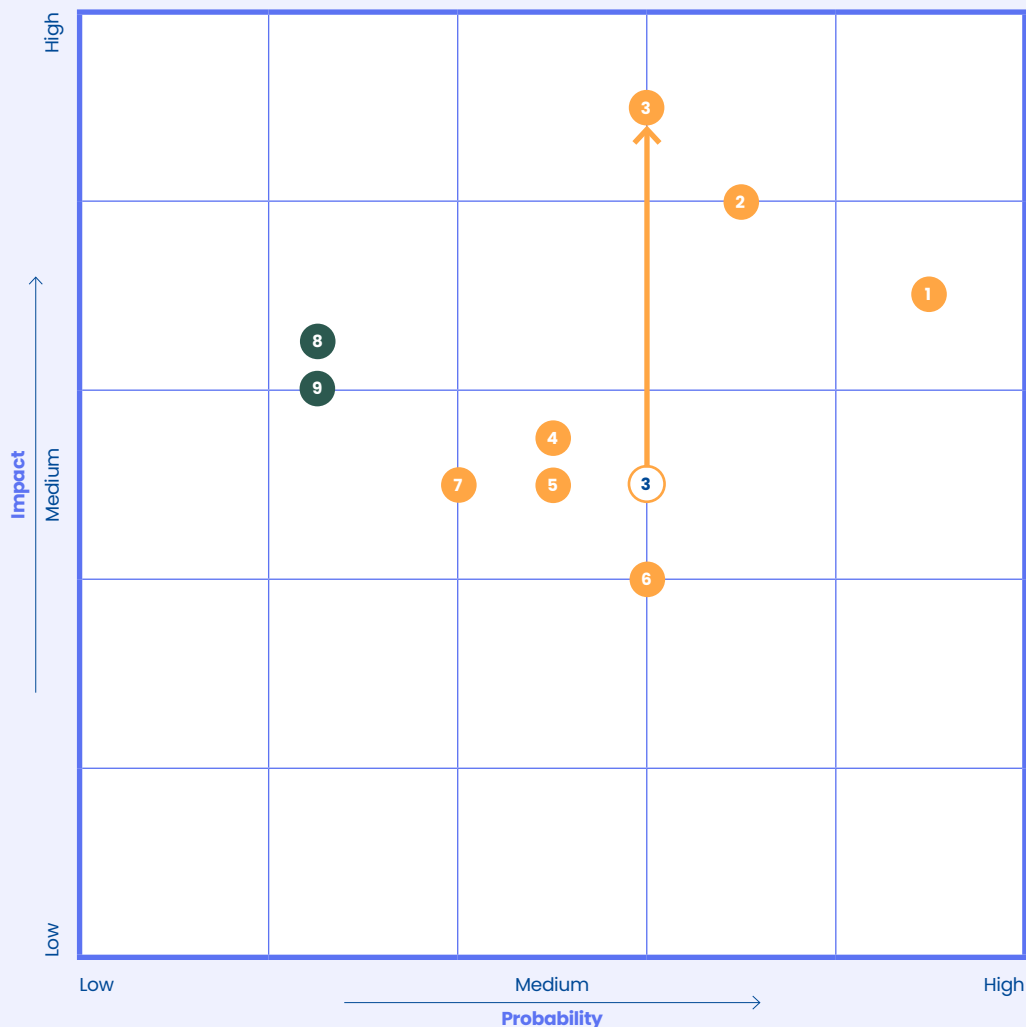
The Group's facilities and operations could be subject to disruption due to incidents including, but not limited to; cyber-attacks, supply chain disruptions, or over the longer term, by the physical or transition risks of climate change. These were previously disclosed as a single principal risk entitled business disruption, however, following a detailed review during the year, this was deemed duplicative and has therefore been included as appropriate within other relevant principal risks such as raw materials supply and pricing, and climate change.

taken to remove intellectual property (IP), product failures and liquidity and funding from detailed principal risks. Whilst the Group depends on its extensive and unique IP and differentiated products to defend its market positions and sustain higher margins, and is dependent on meeting its short-term liquidity and long-term funding financial obligations as they fall due, these risks are well-managed, remain stable and are unchanged year-on-year therefore are less significant from an overall scoring perspective. As a result, they remain on the Group risk register and will be reviewed accordingly, however, will not be disclosed as part of the detailed 2025 principal risks and uncertainties.

With the intention of simplifying and streamlining the Group's disclosure to articulate those risks which are of greatest significance to the Group, a decision was

| Other Group risks     | Risk appetite | Change in risk assessment in year | Risk treatment category |
|-----------------------|---------------|-----------------------------------|-------------------------|
| Intellectual property | ●             | —                                 | Maintain                |
| Product failures      | ●             | —                                 | Maintain                |
| Liquidity and funding | ●             | —                                 | Maintain                |

### Group risk profile



| Key           |                           |                |                        |
|---------------|---------------------------|----------------|------------------------|
| Risk appetite | Change in risk assessment | Strategy       |                        |
| ● Low         | ↑ Increased               | Growth         | Genuit Business System |
| ● Medium      | — No change               | Sustainability | People and Culture     |
| ● High        | ↓ Decreased               |                |                        |

Principal Risks and Uncertainties continued

**1 Macroeconomic and political conditions**

**Risk**

The Group is impacted by the level of activity in its end markets, especially the construction industry, and is, therefore, susceptible to any changes in its cyclical economic conditions, Government policy, Government elections, rates of inflation, interest rates, any political and economic uncertainty and the impacts of global conflicts or trade tensions.

**Potential impact**

Macroeconomic and political conditions could have an adverse impact on the Group's markets and wider economy and, ultimately, demand for its products. In addition, Government policy has the potential to be either positive or adverse to markets and demand. Lower levels of activity within our end markets, especially the construction industry, could reduce sales and production volumes, thereby adversely affecting the Group's financial results.

**KRIs**

- Bank of England interest rate
- Construction Products Association activity levels
- Construction sector insolvencies
- New housing starts
- Projected economic metrics (GDP, inflation and interest rates)
- Viability Statement stress testing for downside scenarios

**Mitigations**

- Diversify our businesses, end markets and supply chains, and proactively develop our brands, products and services.
- Target those end markets where profitable growth prospects are greatest.
- Monitor trends and lead indicators, actively manage our demand forecasts and costs through regular operational review meetings and undertake scenario planning to support business resilience.
- Focus on innovation, new product development and ESG-driven opportunities to leverage our competitive advantage.
- We assess the potential financial impact of changes to climate regulations and carbon taxes using quantitative scenario analysis, which informs decision-making when identifying appropriate mitigations and impacts, as outlined in our Task Force on Climate-Related Financial Disclosures (TCFD) report on pages 51 and 53.

**Developments in 2025**

UK macroeconomic uncertainty continued in the run up to the Autumn Budget, although given it was not adverse to the sector, it is hoped that it will be a clearing event for confidence. The global macroeconomic landscape remained dynamic and volatile, although world economies remained reasonably resilient. Construction activity and housing starts remained at historically low levels. To mitigate this, we continued to focus on cost control and driving productivity through the Genuit Business System (GBS), whilst also investing in organic growth initiatives.

**Emerging risks**

- Geopolitical tensions adversely impact construction activity levels.

**2 Raw materials supply and pricing**

**Risk**

The Group is exposed to security of supply risks in respect of raw materials, components and haulage, including associated cost volatility due to (amongst other matters) the consequences of economic uncertainty, conflict, global supply disruptions, increased shipping complexities, fluctuations in the market price of crude oil and other commodity feedstocks, foreign currency exchange rate movements, and changes to suppliers' capacity. The increased friction and potential for a trade war or other geopolitical disputes could destabilise supply chain activity.

Over the longer term, supply chain issues could be caused by physical or transition risks related to climate change.

**Potential impact**

Suppliers may not be able to meet our demand for raw materials, etc., and/or the price we pay is adversely impacted. Supply chain disruption could lead to inefficient or even ceased production and/or distribution, which could adversely affect the Group's financial results. Supply chain constraints could reduce sales and organic growth, increased costs could reduce margins, and limited availability or regulatory changes could result in our failure to achieve recycled material consumption targets. Our product development efforts may be redirected to find alternative materials and/or components.

**KRIs**

- Subscribe to third party supplier risk management solution
- Market intelligence and commodity pricing
- Market supply and demand restrictions
- Volume and value under contract with guaranteed supply and fixed price

**Mitigations**

- Implement strategic sourcing agreements with key suppliers.
- Utilise different purchasing strategies, as appropriate, including dual supply, guaranteed availability, fixed price, etc.
- Group Legal review of significant contracts to avoid unfavourable and/or inflexible terms.
- Standard purchasing framework agreements to expedite sourcing and reviewing supplier terms.
- Maintain adequate, but not excessive, inventories, which act as a limited buffer in the event of unexpected supply chain disruption.
- We assess the potential financial impact of increased demand for low-carbon materials using both qualitative and quantitative scenario analysis, and assess supply chain disruption using quantitative scenario analysis, which informs decision-making when identifying appropriate mitigations and impacts, as outlined in our TCFD report on pages 55 and 56.

**Developments in 2025**

The continued subdued macroeconomic environment and corresponding weak demand resulted in few supply chain constraints. However, geopolitical tensions led to China introducing new licencing arrangements for the export of rare metals, including magnets for our Adey product range. To mitigate this specific risk, amongst other matters, we reviewed the designs to include alternative components where practical.

**Emerging risks**

- The trend away from globalisation to the regionalisation of trade, and the resultant desire to control resources, may result in greater inflation risk and security of supply risk.

### 3 Failure of information systems or cyber breach



**Risk**

The Group operates a variety of information systems that are key to operations and the maintenance of our control environment. There is a risk that one or more of these systems could fail due to (i) network or power outages, (ii) information or cyber security breaches, or (iii) issues with out-of-support or legacy software packages. There are also risks that the Group may be unable to leverage the latest technologies, such as artificial intelligence (AI), due to inconsistent data structures across platforms and that benefits may not be realised from programs to transform systems capability. As systems increasingly move to cloud computing environments, the nature of these risks and the mitigations are evolving with a growing dependency on third party service providers for the availability, security, resilience and scalability of critical systems. The threat from cyber criminals is also one that continues to evolve.

**Potential impact**

Disruption or failure of our information systems could affect the Group's ability to conduct its ongoing operations and/or result in data loss, which could adversely affect the Group's financial results, reputation and compliance with data protection regulators.

| KRIs  |
|---|
| - Software obsolescence and changes in third party software provision |
| - Age and complexity of the systems landscape                         |
| - Cyber security intelligence and threat levels                       |
| - Penetration testing results   |
| - Information security training compliance                            |
| - Cloud resilience or disaster recovery testing results               |

**Mitigations**

- A multi-year systems transformation program covering Enterprise Resource Planning (ERP), the Human Resources Information System (HRIS) and Customer Relationship Management (CRM) systems, is underway to create a resilient, efficient, secure and consistent platform for the Group.
- The program is being managed in conjunction with GBS in order to maximise business benefits and support the modernisation of operations over the medium term. As part of the program, data structures will be optimised to enable future technologies such as AI.
- The Group operates industry standard information and cyber security policies, procedures and systems leveraging best-in-class third party software and services.
- Specific protections include firewalls, end-point protection, penetration testing, cyber audits, the provision of Virtual Private Networks (VPNs), email and internet traffic filtering, anti-virus and malware protection, identity management, network monitoring and intelligence, threat detection and response and information security training for all employees.
- Ongoing assessment is conducted of our third party cloud and Software as a Service (SaaS) providers as part of the security and risk framework.
- The Group maintains information systems backup and recovery plans as part of its broader business continuity planning.

**Developments in 2025**

The Board approved investment in a multi-year transformation program for core systems. Continued investments were made in replacing legacy systems and the Group's networks and in enhancing information and cyber security defences. In addition, support was provided to newly acquired businesses to bring their environments up to Group standards.

**Emerging risks**

- AI enables threat actors to sustain more intense and sophisticated cyber-attacks.
- Geopolitical tensions result in an increasing frequency, complexity and malicious intent of cyber-attacks.

### 4 Reliance on key customers



**Risk**

Some of the Group's businesses are dependent on key customers in highly competitive markets. We may fail to adequately manage relationships with these key customers.

**Potential impact**

Any deterioration in our relationship with a key customer could lead to a loss of business, thereby adversely affecting the Group's financial results.

| KRIs   |
|--|
| - Commercial sector contract support metrics     |
| - Developer audit compliance                     |
| - Quotation activity                             |
| - Revenue by contractor/merchant                 |
| - Revenue levels relative to CPA sector analysis |

**Mitigations**

- Innovate and develop our brands, products and services to better meet the needs of our customers.
- Broaden our customer base wherever possible and increase our activity in gaining specification.
- Deliver exceptional customer service, which is constantly monitored, and maintain strong relationships with major customers through direct engagement at all levels.
- Actively manage customer pricing, rebates and credit terms to ensure that they remain both competitive and commercial. These are negotiated and approved by senior management, and governance procedures are in place to ensure that these are reviewed by Group Legal, where required.

**Developments in 2025**

The trends of UK house builders consolidating and low-cost competitors entering into some of the markets we serve continued. This consolidation did, however, provide opportunities, not least where existing customers acquire their competitors and sought to consolidate their purchasing with the Group.

**Emerging risks**

- Ecosystem changes in our industry, including customer ownership and consolidation.
- Failure to harness AI technologies to drive efficiencies and generate value could make us less competitive.
- Long-term changes in customer needs and expectations.

Principal Risks and Uncertainties continued

|   |   |   |  |
|---|---|---|--|
| <p><b>5 Climate change</b></p> <p><b>Risk</b></p> <p>The increase in frequency, intensity and impact of weather events such as flooding, drought, extreme heat and coastal erosion. The longer-term implications of climate change give rise to the transition risk of addressing the challenges expediently.</p> | <p><b>Potential impact</b></p> <p>Adverse weather events could damage, disrupt or lead to temporary closure of the Group’s facilities and operations.</p> <p>Prolonged periods of severe weather could result in a slowing down of site construction activity, thus reducing demand for the Group’s products. Growing stakeholder focus on corporate action to meet emissions reduction targets may result in increased reputational risk and reduced customer and/or employee loyalty, investor divestment and impacts to customer activity levels.</p> <p>All the above potential impacts could adversely affect the Group’s financial results and investment proposition.</p> <p><b>KRIs</b></p> <ul style="list-style-type: none"> <li>- Achievement of carbon reduction targets</li> <li>- Use of recycled materials</li> <li>- Performance against climate change targets (carbon reduction) and other sustainability/ ESG KPIs</li> <li>- Scopes 1, 2 &amp; 3 carbon emissions</li> <li>- Site flood risk assessments</li> </ul> | <p><b>Mitigations</b></p> <ul style="list-style-type: none"> <li>- Maintain our climate change risk analysis and undertake the associated actions where relevant, further embedding the detailed assessments of climate-related risk throughout the Group.</li> <li>- Maintain our sustainability framework, which includes a series of measures, action plans, metrics and targets (described in our TCFD report on page 46 and sustainability framework on pages 34 to 36) to accelerate the Group’s progress.</li> <li>- Embed our sustainability agenda across the workforce. Our Sustainable Solutions for Growth strategy is focused on both mitigation and adaptation opportunities, including reducing our carbon impact.</li> <li>- In the event of flooding, in the short term, some production could be transferred to other sites. In the longer term, climate change impact is monitored and, where deemed appropriate, flood defence systems could be installed.</li> <li>- Details of our response to specific climate change risks are described in our TCFD report on pages 51 to 55.</li> </ul> | <p><b>Developments in 2025</b></p> <p>We further progressed our TCFD quantitative scenario analysis, which provided us with a deeper understanding of the potential financial impacts and allowed us to refine our existing mitigations. In addition, following the Group’s SBTs being validated in 2024, we continued to progress supplier engagement to ensure that they were on a carbon reduction pathway and were also managing their own exposure to climate-related risk, thus supporting our published Pathway to Net-Zero.</p> <p><b>Emerging risks</b></p> <ul style="list-style-type: none"> <li>- Changing geopolitical attitudes to climate change and carbon intensity could result in an acceleration of global warming.</li> <li>- Changes in legislation on chemical safety and classification, affecting raw material supplies.</li> </ul> |
|---|---|---|--|

|  |   |  |   |
|--|---|--|---|
| <p><b>6 Recruitment and retention of key personnel</b></p> <p><b>Risk</b></p> <p>The Group is dependent on attracting and retaining people with the right skills, experience and capability, as well as the continued mental health and wellbeing of our people.</p> | <p><b>Potential impact</b></p> <p>Loss of any key personnel without adequate and timely replacement, and/or skills shortages, could disrupt business operations, increase salary inflation and adversely impact the Group’s ability to profitably implement and deliver its Sustainable Solutions for Growth strategy.</p> <p><b>KRIs</b></p> <ul style="list-style-type: none"> <li>- Employee engagement levels</li> <li>- Employee wellbeing indicators</li> <li>- Gender and ethnicity pay gaps</li> <li>- Gender and ethnicity representation at all levels, including job applications</li> <li>- Length of time taken to recruit, along with offer acceptance levels</li> <li>- Voluntary employee turnover and the reasons cited</li> </ul> | <p><b>Mitigations</b></p> <ul style="list-style-type: none"> <li>- Track key people indicators monthly and take action as required.</li> <li>- Embed learning and development programmes across the Group, including diversity and inclusion.</li> <li>- Mental health policy and associated training, as well as employee assistance and wellbeing programmes.</li> <li>- Group-wide HR information system that enables recruitment, performance management and talent management, and improves employee engagement survey capability.</li> <li>- Continuous enhancement of employee communication mechanisms, and corresponding engagement.</li> </ul> | <p><b>Developments in 2025</b></p> <p>The labour market remained competitive, with potential employees seeking roles and employers offering a wider proposition. In that regard, we continued to develop our talent, improve our shared culture and retained our Gold Member status with The 5% Club. We successfully completed our second Group-wide employee engagement survey, which demonstrated a relatively stable landscape. In addition, we continued to reduce the levels of voluntary employee turnover.</p> <p><b>Emerging risks</b></p> <ul style="list-style-type: none"> <li>- Changes in working patterns or increased financial uncertainty could have a negative impact on employees’ mental health.</li> <li>- Evolution of long-term societal and workplace expectations.</li> </ul> |
|--|---|--|---|

### 7 Execution of M&A strategy

#### Risk

The management of acquisitions activity and their integration play a part in delivering the Group's Sustainable Solutions for Growth strategy. Acquisitions may fill a strategic gap in the Group's portfolio, enable sales or operational synergies and/or provide access to new or diversified markets. There is a risk that suitable acquisitions may not be identified and executed, that any executed acquisitions may not be integrated or may not perform as expected in the acquisition case, and that benefits and value do not accrue in line with expectations.

#### Potential impact

Ineffective identification, execution and management of acquisitions could lead to management distraction, a drain on financial resources, and impact the Group's ability to successfully implement and deliver its Sustainable Solutions for Growth strategy, including the ability to meet medium-term financial targets.

#### KRIs

- Acquisition price (premium, earnings multiple, etc.)
- Benefits and synergy tracking
- Execution of targeted acquisitions and disposals
- Milestone achievement of integration plan
- Performance compared to the acquisition case, including the root cause of any deviations
- Target management incentivisation, engagement and sentiment

#### Mitigations

- Pipeline of potential M&A targets being developed internally, in tandem with external advisory firms.
- Formal Board-level approvals, in accordance with the Group's Delegation of Authority matrix.
- Full legal, commercial and financial due diligence performed before any acquisition is made, together with as much access to existing management as possible.
- Contractual assurances sought from the sellers to mitigate against any identified issues or risks, and where this is not possible, then warranty and indemnity insurance is sought.
- Where appropriate, contingent consideration is linked to the ongoing performance of the acquisition.
- Monitor the progress of any integration at Board and senior management team level.
- GBS deployed within any new acquisitions.

#### Developments in 2025

Our M&A processes remained effective, and we successfully completed the acquisitions of Monodraught and the Davidson group of companies. The Group is actively integrating these businesses and will deploy GBS within them. In addition, the Group actively investigated and cultivated a pipeline of potential targets to develop the acquisition funnel, and developed a standard acquisition and integration playbook.

#### Emerging risks

- Acceleration of corporate consolidation in the markets in which we operate may limit potential M&A opportunities.

### 8 Breach of legislation

#### Risk

Failure to comply with the continually evolving governance, legislative and regulatory business environment, which includes but is not limited to Data Protection Regulation, Competition Law, the Bribery Act, the Economic Crime and Corporate Transparency Act (ECCTA), Sanctions Compliance and the Building Safety Act. Employees and/or the Group may fail to comply with the regulations in the furtherance of business.

#### Potential impact

Fines and other financial penalties, in addition to potential prosecution penalties in the event of breaches, alongside damage to the Group's reputation and potential current and future business.

#### KRIs

- Breach notifications
- Findings and recommendations from internal audit reviews
- Number of Sanctions policy requests for approval
- Training completion rates
- Number of referrals to Group Legal

#### Mitigations

- Provide training and guidance documents to all relevant new employees on Competition Law, including those who are changing roles. In addition, provide mandatory training in relation to compliance with Data Protection Regulation and the Bribery Act.
- Monitor, and report to the Board on, training completion rates. In addition, compliance training forms part of the annual senior management bonus plan.
- Obtain regular declarations of compliance in respect of Data Protection, Competition Law, Sanctions Compliance and adherence to ethics and compliance expectations.
- Group Legal approval required for all business in higher-risk countries. A third party system is used to screen companies and/or individuals located in, or linked to, sanctioned countries or those exports with increased risk of diversion to Russia.
- Independent third party Safecall whistleblowing helpline, available to employees, and reported to each Audit Committee meeting as relevant.
- Data security solution that can automatically discover, classify and label personal data and, where necessary, remediate potential data exposure and misconfigurations instantly.

#### Developments in 2025

Group policies and training programs were reviewed, enhanced and updated, including in response to changing legislation such as the ECCTA, thus mitigating the risk of a compliance failure.

#### Emerging risks

- Changes to existing or potential new laws, or trade sanctions, either in response to geopolitical tensions or otherwise.
- Increased regulatory burden around corporate governance and reporting, leading to additional disclosure pressures from investors and increased levels of scrutiny from regulators and other stakeholders.
- The regulatory landscape, technology and public awareness of AI and the use of data are rapidly evolving, leading to unpredictable outcomes and potential new obligations or reputational impact.

Principal Risks and Uncertainties continued

9 Health, Safety and Environmental

Risk

The Group is subject to the requirements of environmental and occupational safety and health laws and regulations in the countries in which it operates, including obligations to take the correct measures to prevent fatalities or serious injury, and to prevent and/or investigate and clean up environmental contamination on or from properties.

Potential impact

Lack of management focus, poor cultural attitude or failure of the Group to comply with health, safety and environmental regulations and other obligations relating to environmental matters could result in harm to individuals, the environment or property and the Group being liable for fines. This would result in the Group suffering reputational damage, requiring modification to operations, increasing manufacturing and delivery costs, and could result in the suspension or termination of necessary operational permits, thereby adversely affecting operations and financial results.

KRIs

- Audit performances/scores
- Hazard and near-miss reporting
- Recordable injury frequency rates
- RIDDOR reportable incidents
- Motor and employers' liability claims

Mitigations

- Formal Health, Safety and Environmental (HSE) policy, and procedures to monitor compliance.
- Group HSE Director (with a team throughout the Group) with clear accountability for HSE.
- HSE performance is regularly tracked, reported and reviewed by all levels of management, including the Board.
- Internal and external HSE audits.
- Investigations to identify root causes and key learnings with a view to continuously improving. Learnings are shared, as necessary, and key messages reinforced throughout the Group.

Developments in 2025

Health and safety remains a priority for us. We commenced the development of a health and wellbeing strategy, including the planned launch of a Group-wide mental wellbeing training programme for our leaders, and trial partnership with a third party platform provider enabling employees to meaningfully engage with their health and wellbeing. In addition, we further developed our Group-wide internal HSE auditing system (the Genuit Blue HSE Audit programme), which provides more feedback on what works well and what further improvement opportunities exist, in addition to being a mechanism for identifying and sharing good practice.

Emerging risks

- Complying with potential future changes to HSE regulations.

Joe Vorih  
Chief Executive Officer

10 March 2026