

ANNUAL REPORT 2025

MACE GROUP

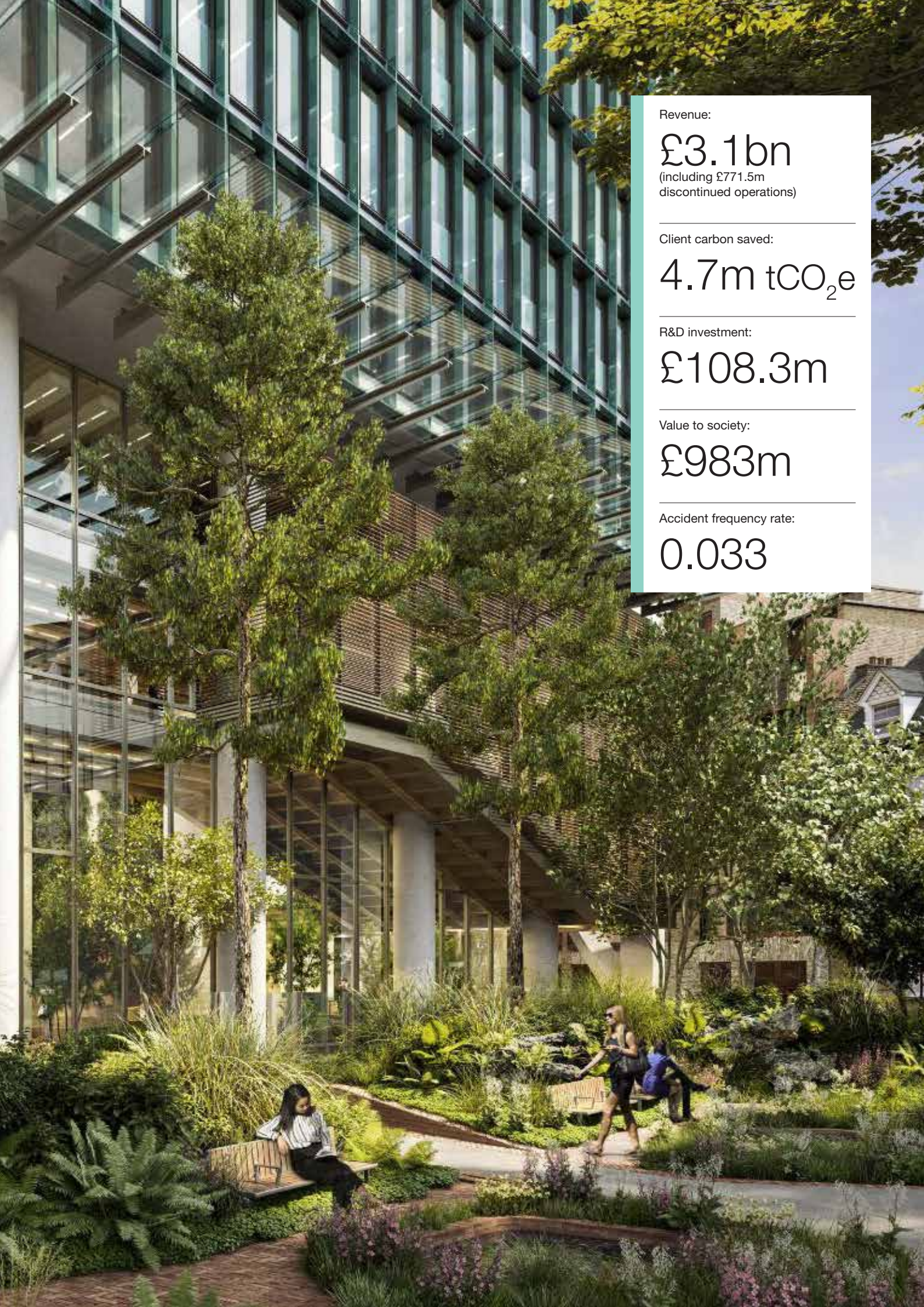
Big ambition. Renewed focus. Construction Experts.



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EDGE London Bridge – UK



Revenue:

£3.1bn

(including £771.5m
discontinued operations)

Client carbon saved:

4.7m tCO₂e

R&D investment:

£108.3m

Value to society:

£983m

Accident frequency rate:

0.033

Mace Group plays a leading role in the UK construction market. We have a deep understanding of who we are and what sets us apart: a privately owned, UK based, delivery-focused contractor with an unwavering vision for how great projects should be delivered. With £2.3bn in revenue, a clear focus on key markets and growing, debt-free financial resilience, we have a powerful identity that is reflected in our reputation, our culture and the scale of our ambition.

BUSINESS OVERVIEW

What we do

We are construction experts.

We bring knowledge, experience, innovation and a spirit of partnership to every stage of the construction journey. Experts on the ground. Best-in-class supply chain partners. Understanding and delivering the ambitions of our clients. From early design, through the construction journey and beyond.

Our sectors

Corporate real estate
Offices
Mixed-use residential
Retail
Arts
Energy
Sports, leisure and events
Local government
Central government
Education
Justice and blue light
Defence
Health and social care
Life science and pharmaceutical
Research and development
Aviation
Rail
Ports
Data centres

Our story

A strong and resilient business

Since we were founded in 1990, Mace has evolved as we have grown; from a boutique consultancy to one of the UK's leading contractors, and one of the world's foremost programme managers. We were founded out of a belief that the built environment sector could be more efficient, innovative and responsible, and have relentlessly pursued a better way ever since.

From iconic skyscrapers to hyper-scale infrastructure projects, state-of-the-art data centres to life sciences facilities and social infrastructure, we are proud of the reputation we have built with governments, clients, peers and our people. We are recognised as an industry leader, known for our track record of delivery, our dependable supply chain, and our commitment to innovation and improving productivity.

In 2025, we announced a majority investment in the Group's consultancy business from Goldman Sachs Alternatives. Mace Consult is now an independent business. The transaction was a key milestone in securing the long-term future for Mace Consult, enabling the next phase of its growth, leveraging the strength of the business brand and global reputation for exceptional programme delivery.

The demerger of Mace Consult affords Mace Group the opportunity to focus even more intensely on our construction heritage and on the unique capabilities that set us apart in our chosen markets.

We are proud of what the Group has achieved and we are excited about what Consult and Construct will achieve as independent businesses. Mace Group will adopt a new brand identity capturing the boldness of our vision and expressing what we stand for and the brilliant things our teams deliver. What makes us great will not change.

Mace Group has an ambitious growth strategy. We will bring market-leading insight and skills to every job, breathing life into the most innovative and sustainable projects in UK construction.

Group highlights

	Mace Group	Discontinued operations (Mace Consult)	Total (including discontinued operations)	2024 (including discontinued operations)
Revenue	£2,309.8m	£771.5m	£3,081.3m	£2,788.7m
Operating profit before exceptional items	£6.5m	£62.5m	£69.0 m	£57.3m
Exceptional items	£(59.7)m	£(1.7)m	£(61.4)m	£(6.6)m
Cash at bank	£204.6m	£92.8m	£297.4m	£320.2m

Other performance highlights (total including discontinued operations)

	2025	2024	2023
Client carbon saved*	4.7m tCO ₂ e	3.4m tCO ₂ e	1.7m tCO ₂ e
Colleague satisfaction score**	75%	83%	83%
Client satisfaction	89%	89%	86%
Group headcount***	7,989	8,117	7,421
Accident Frequency Rate (AFR)	0.033	0.036	0.036
R&D investment	£108.3m	£71.4m	£68.0m

* Annual figures are cumulative

** The drop in Colleague Satisfaction Score in 2025 is largely driven by a change in methodology. In 2025, we moved to Inpulse as our survey provider and adopted their standardised question sets to measure line manager effectiveness, engagement and wellbeing. These questions differ from those used in previous years making them not directly comparable with 2025. Going forward, we will be using the new question sets consistently to enable year on year comparisons.

*** Inclusive of agency and contingent workers as of 31 December each year.

Additional sectors worked across in 2025 (predominantly by the Consult business)

Hotels
Integrated resorts
Cyber, digital and space
Highways
Nuclear
Utilities
Industrial and logistics



Mark Reynolds CBE
Group Executive Chairman

A NEW CHAPTER

Mace has always been shaped by talented leaders: brilliant, committed people who believed in our vision and followed the course with a drive and ambition to do things differently. This vision and approach remain unchanged.

When I became Executive Chair at the beginning of 2025, I was looking forward to supporting our teams as they continued to transform our business, and to seeing Mace Consult and Mace Construct recognised around the world as leading global delivery consultants and construction experts.

Since then, we have progressed further with those ambitions than I thought possible, and both independent businesses now have firm foundations for future growth and development.

Our announcement last summer of the majority investment in Mace Consult by Goldman Sachs Alternatives was the culmination of years of hard work and focus.

As Mace Consult and Mace Construct both turn the pages on new chapters as independent businesses with their own very capable and empowered leadership teams, I am excited to see the next generation of talent in both businesses take up the challenge and inspire their teams to deliver exceptional results.

We consciously set out in our 2022 business strategy to establish both Mace Construct and Mace Consult as independent businesses and separate legal entities, a move designed to unlock the next phase of growth for both parts of the Group.

Although the exact shape of what was to come hadn't yet been defined, we were clear even at that stage that we would need external investment to support the growth of Mace Consult at some point in the future.

The end result is an ownership structure for Mace Consult that will enable it to step out further onto the global stage with confidence, and an opportunity to refresh Mace Construct's identity as a leading UK contractor.

The benefits of this transaction will be felt for years to come by our colleagues, our clients, our stakeholders and our shareholders. It will open up opportunities, create and transform careers, and enable both Mace Construct and Mace Consult to continue to redefine the boundaries of ambition.

None of this would have been possible without our exceptional leadership team and the strong governance framework we implemented in January 2025.



I would like to begin by recognising Jason for his exceptional work, in particular over the past 18 months as Group CEO. Jason played a crucial role in the success of the business over 18 years and, during his tenure as Chief Executive, provided exceptional leadership across both our Consult and Construct teams. I would also like to recognise David Allen, our CFO, who has worked tirelessly over the last 18 months on the business separation.

Jason, David and the wider Group Executive Committee have led the business and delivered operational performance with clarity and vision, enabling the Board to focus on strategy, corporate re-structuring and the change in ownership of Mace Consult.

2025 was the first year in post for our Non-Executive Directors (NEDs), and I want to thank Alison, Nina, Eric, John, John and Sylvia for their extraordinary commitment and support.

So, 2025 was a year of successes we can all be proud of: significant corporate change and great performance by both businesses while managing unprecedented change and transformation. There is no denying that it has been a particularly complex and challenging year.

“The benefits of this transaction will be felt for years to come by our colleagues, our clients, our stakeholders and our shareholders.”

Separating the two businesses has involved a significant amount of work. I hope that the teams are proud of what they have achieved in this challenging operating environment: continuing to deliver for our clients and reporting a robust set of financial results.

Looking towards the future, the opportunities available to Mace Construct are tremendous. With a new operating model and a strong senior leadership team, we are in the perfect position to build on the capabilities and qualities that have made us great. That confidence is shared by my colleagues and fellow shareholders, who have reinvested some of the proceeds from the sale of Mace Consult into Mace Construct: a crystal-clear demonstration of our confidence in the business and in its potential.

In October 2026, David Allen will step down as CFO, having completed Mace Group's most challenging objective, to successfully complete the carve-out of Mace Consult, and will be succeeded by Tony Arthurton as interim CFO.

Following the announcement in May 2026 that Jason Millett will stand down as Group Chief Executive and step back from the Mace Group Board at the end of 2026, I will return to a more active role within the business, ensuring continuity of strategic direction and supporting the Group's executive committee. Over the remaining months of 2026, Jason and I will work closely as we transition so that my dual role feels seamless to colleagues and our clients.

Over the next six months, the Board and Senior Leadership Team will continue to develop a focused strategy that builds on Mace Construct's strengths as a well-capitalised, independent and agile business. The reinvestment by shareholders provides the foundation for that future, positioning Construct to pursue its goal of becoming one of the UK's top three contractors, while also allowing us to innovate, bringing robotics and technology-led methods into the physical delivery of construction in ways we simply couldn't have funded effectively before.

As a UK-based construction company, Mace Construct will continue to play a vital role in the fabric of UK society; shaping and modernising the infrastructure that supports the growth of the country, from transport networks to life science and healthcare facilities, data centres and commercial offices. Our instinct has always been to push the industry forward. That ambition remains unchanged. By embracing emerging technologies, modern methods of construction and more sustainable practices, we are delivering projects that are greener, more resilient and more cost-effective than ever. Through digital transformation, productivity gains, local supply chain engagement and community investment, we are adding social value and strengthening the industry around us.

That focus reflects the wider industry context for UK construction.

As Government policy and capital investment drive increased demand and appetite for construction delivery over the next few years, achieving higher productivity through innovation and disciplined adherence to our processes will be more important than ever.

As Co-Chair of the Construction Leadership Council (CLC), I understand that we work in an industry that is constantly shaped and reshaped by political choices, government policy, regulators, investor sentiment, emerging markets, innovations and urbanisation.

"Whatever Mace has achieved over the last three and a half decades has been achieved through hard work, dedication and ambition."

Over the medium term, reforms to the planning system, a renewed focus on long-term capital investment, the regular publication of a national infrastructure pipeline, the commitment to delivering 1.5 million homes, and the drive to consent 150 infrastructure programmes during this Parliament will create one of the most supportive contexts the industry has experienced in a long time.

However, the sector as a whole is not in a comfortable and sustainable place. Business confidence continues to be at a low ebb as the cumulative impact of tax increases, regulation and delays in investment limits the capacity of our industry to invest effectively in the people, skills and technology we need to grow.

In this context, it is more important than ever that industry and government work together effectively to identify challenges and develop shared solutions. Driving change must be a joint effort: something that all stakeholders approach with an open mind and collaborative intent.

One area where that intent can have an outsize impact is investment in construction skills.

Having started my own career through an apprenticeship, and as current Co-Chair of the Construction Skills Mission Board, I am determined to help sustain and expand the investment we are currently making through the launch of the skills mission this year. The aim is to ensure that thousands more people can access the tools, training and opportunities they need to build fulfilling careers in our industry.





At Mace, we have recruited, trained and launched thousands of careers since 1990. I still get excited about visiting our sites across the UK and meeting the brilliant young people starting their careers on our projects.

One of the most exciting aspects of operating as an independent construction business is that as we evolve into a more streamlined business, focused on core clients and markets, we can offer a unique, refreshed culture to our people.

We have a deep understanding of who we are: a privately-owned, UK-based, delivery-focused contractor. We are now ready to distil this understanding into a powerful new identity that reflects our market reputation and our unique culture and positions us to realise all of our ambitions in the future.

Whatever Mace has achieved over the last three and a half decades has been achieved through hard work, dedication and ambition. These qualities will underpin everything we accomplish over the next three decades and beyond.

As a custodian of the business for the past quarter of a century, it has been a privilege and an honour to be part of Mace's amazing success story. The investment in Mace Consult from Goldman Sachs Alternatives came at the perfect time, allowing both businesses to focus on the core expertise and the unique capabilities that set them apart in their respective markets.

With Consult pursuing global expansion and Construct determined to be the leader of the UK construction industry, I hope both businesses will continue to be characterised by our shared heritage, ambition and optimism.

To Jason, who was a leading force in the growth of Mace Consult, David, who was integral to its carve out from Mace Group, and to those who played their part in the first 35 years of our history, thank you. It has been a fantastic journey; our next chapter has begun, and I am excited to see what it will bring.

Mark Reynolds CBE
Group Executive Chairman
26 October 2026



Jason Millett
Group Chief Executive Officer

AN OUTSTANDING YEAR

2025 was an outstanding year for us, with fundamental changes that reshape the future of our business, and strong performance across the board.

Before I get into the operational performance and phenomenal achievements of the business in 2025, I want to address my announcement to step down as Mace Group CEO.

Mace Group is a phenomenal company. There aren't many companies who can rival it in terms of ambition, client commitment and passion, and I am immensely proud to have played a role in Mace's journey. The opportunities I have been given and the relationships I have built over the last 18 years mean it wasn't an easy decision to step away.

However, following the successful separation of Mace Consult, it felt like a natural moment to reflect on what comes next and so, in May 2026 I announced that I would step down as CEO of Mace Group and Mace Construct at the end of the year. I'm incredibly grateful for the opportunity to complete this chapter properly by staying in post until the end of the year, and to the colleagues, clients and partners who have supported me along the way.

Why 2025 was an outstanding year

2025 was an outstanding year, with fundamental changes that will reshape the future of Mace Group, and with strong performance across the board.

Including Mace Consult (which is disclosed in these financial statements as discontinued operations), the Group achieved a record turnover of £3.1bn and operating profit of £7.6m, reaching a key target from our 2020 business strategy a year earlier than we set out to. The formal financial statements include exceptional carve-out costs but in terms of performance, our teams outdid themselves once again with record revenues, an underlying profit, a significant reduction in overhead costs and a strong forward order book.

We secured game-changing appointments, with the British Library extension being one of the most high-profile and significant of the year. We also further strengthened our position in the life sciences market, including advancing negotiations to deliver a world-leading hub for AI, health and climate research in the UK. We completed some of the greenest projects the industry has ever seen, including the largest certified Passivhaus building in the UK.

* Inclusive of discontinued operations.

40 Leadenhall



We were named Major Contractor of the Year for the eighth year in a row by major industry publications, and improved our employee journey with stronger, more transparent feedback channels to help drive real change.

The work involved in preparing for the demerger of Mace Consult from the Group and the acquisition of Mace Consult by Goldman Sachs Alternatives was challenging and rewarding for everyone involved. A lot of work has been done to ensure a smooth transition and to set both businesses up to thrive as standalone entities. I am proud of the work we have done and want to thank everyone involved in helping us get to where we are today.

Strong governance, efficiency and productivity

The demerger has created an opportunity for Mace Construct to refocus, to strive to be one of the top contractors in the UK, and to refresh its strategy and identity with renewed vigour.

The plan for the Construct business was to use its strong foundations as a basis from which to transform it into a more resilient, productive business, with less risk, more predictability and better use of digital technologies and data. In 2025, we got the opportunity to do this. To focus on building a strong senior leadership team and making substantial reductions in our overheads while sharpening operational performance with the aim of achieving optimal efficiency and productivity. To help us be discerning about who we work with and when; to be more thoughtful about our markets and sectors; and more intentional about the jobs we target.

The senior leadership team has spent the last year transforming how they do business, concentrating on operational performance, programme certainty, financial transformation and productivity, all with a view to delivering profitable, sustainable growth in the future.

We've seen lots of changes in 2025 but one principle that has shaped us stayed the same: our commitment to the health, safety and wellbeing of our people and partners.

“The demerger has created an opportunity for Mace Construct to refocus, to strive to be one of the top contractors in the UK, and to refresh our strategy and our identity with renewed vigour.”

We've consistently pushed standards across the world, often leading the conversation for clients and supply chains. We've taken on the most challenging projects our industry has to offer while striving to never let our standards slip.

In 2025, we were devastated by the catastrophic accident that led to a tragic death on one of our sites. The changes we've made this year must not dilute our absolute commitment to ensuring everyone goes home safe and well. Every change we've made needs to reinforce that commitment. That is why we have transformed our approach to be more operationally-led. Through the leadership of Tony Blackledge, our new health, safety and wellbeing lead who has more than 30 years of experience directing major projects at Mace, we are ensuring stronger ownership of and accountability for health, safety and wellbeing matters: better integration into delivery, more practical solutions and improved communications and culture.

At the start of 2025, a new governance structure was established to ensure agility and resilience for the changes ahead. In the first year of its operation, the Board and Committee structure drove positive change across the business, including a more robust approach to tendering and a more operationally-led approach to health and safety.

Every meeting attended and every decision made by our Group Board members in 2025 was approached with the overriding objective of setting both businesses up for success.

The Construct leadership team performed very well in 2025. In 2024, Stephen Jeffery was appointed as Chief Operating Officer. Since then, his focus on the performance and the detail of the business – data, audits, site performance – has allowed us to reinforce our strong foundations. The next step was to restructure the business, introducing a new operating model that focuses on Commercial; Public, Life Sciences and Technology; and Infrastructure. By focusing on these three core markets, we have sharpened our delivery of contracting, construction management and specialist services. It has been easier to share resources and knowledge in this simpler structure.

Diversification, differentiators and delivery excellence

Every appointment and decision has been made with the aim of enabling the growth of the Construct business through a more diversified portfolio of clients, project values, asset classes and contracting structures. The demerger means the business is free to target work in sectors where previously there was a perception of a possible conflict of interest because of Mace Consult's role as an advisor to asset owners. Over the coming years, there will be a focus on securing work in new critical national infrastructure markets where we haven't worked previously, such as rail, water, ports and defence. The UK is investing heavily in these areas, and we see the opportunity this presents. It will take time for this diversification strategy to produce significant growth, but we have already started gauging interest and initiating early conversations in these important markets.

Our strategy is delivering results already. In 2025, we made great strides in the infrastructure sector with major project completions and new appointments at Heathrow and Gatwick. We also completed a complex Manchester Airport project, bringing innovation and fresh thinking; prefabricating components off-site to minimise construction requirements at the airport while also standardising design and utilising sub-assembly methods. This 'kit of parts' approach moved 80% of the construction effort to a controlled factory setting, reducing the project schedule by 83,000 worker-hours and saving approximately 125 tonnes of CO₂ emissions. It is results like these that differentiate us from our competitors and maintain our reputation as pioneers of modern methods of construction, offering clients significant productivity, programme and cost gains.

"In five years' time, our aim is to be a strong, independent construction business working across a broader segment of the market and playing a larger role than ever in the construction of the UK's critical national infrastructure and in the delivery of important, high-profile construction projects."



Mace Group will continue leading the industry in this way. In 2025 the business temporarily moderated its growth to enable it to optimise productivity and efficiency. It is a source of considerable satisfaction that while we did this, we stayed committed to innovation and to solving the problems facing our industry and the world.

Digitalisation has long been recognised as a critical driver of productivity, predictability and competitiveness. The business is embracing these changes and placing them at the heart of its business and its offer to clients. In 2025, we made investments to evolve our project delivery processes, using data and digital technologies to make our performance even more predictable and helping us be even better at identifying and mitigating risk, while also making life easier for our project teams.

Module construction – modern methods of construction



“The work we have done in 2025, our achievements and efficiencies, has placed us in a strong position to take advantage of the vast opportunities available to us in the UK going forward.”

Although I will be stepping down at the end of 2026, I will continue to be heavily involved in helping to shape the business to take advantage of the vast opportunities available to us in the UK until I leave.

Mace Construct has a strong sense of direction and a significant opportunity ahead as a simpler and more focused business. While the time is right for me to step back, I'm very much looking forward to doing all that I can in the remainder of 2026 to continue to help set the business up for success.

I would like to take this opportunity to thank Mark for the opportunity to lead this fantastic business, the members of the Board and Group Executive Committee for their challenge and counsel, and colleagues, clients and life-long friends for their support in achieving ambitious goals. I look forward to watching from the outside as the business achieves even more over the next 35 years.

Jason Millett

Group Chief Executive Officer
26 October 2026



David Allen
Group Chief Financial Officer

FINANCIAL REVIEW

Highlights

Cash at bank

£297.4m

Group (pre-exceptional)
operating profit

£69.0m

Group turnover 2025

£3.1bn

A year of progress

Financially, 2025 was a year of encouraging progress for Mace. In aggregate, our continuing and discontinued operations generated record revenues of £3.1bn with a significant majority (£2.3bn) coming from continuing operations. Despite the demands of the carve-out of Mace Consult, the Group delivered a (pre-exceptional) operating profit of £69.0m.

Through disciplined cash management, the business generated net cash inflows from operating activities of £102.2m, ending the year with cash at bank of £297.4m (comprising £204.6m in continuing operations and £92.8m in discontinued operations).

A transaction that benefits Mace Construct and Mace Consult

For Mace Consult, the transaction provides the global support that can help accelerate its growth and optimise its performance as an independent business.

The deal was a testament to the strength and resilience the Consult business has built over many years. It was hugely impressive that the business prospered, secured critical roles on some of the most high-profile and technically demanding projects in its sector and achieved healthy margins, despite the significant focus on executing the transaction. Mace Consult's order book remains strong, underpinned by a high proportion of repeat clients. The acquisition and integration of Turton Bond in North America strengthened its capability in a strategically important market (for details of the Turton Bond acquisition, please refer to Note 22d in the Financial Statements).

In 2025, the Construct business bounced back from a challenging 2024. This return to form produced revenues of £2.3bn, from which Construct generated profit before tax of £41m (2024: £5.6m) excluding the costs, including exceptional items, that are categorised as 'Other' in the divisional analysis that is provided in note four to the financial statements. Through careful tuning of our operating model, we expect to be able to reduce the administrative costs of £31.0m included within 'Other' significantly and quickly, enhancing overall profitability in the future.

This step forward was achieved through the hard work and expertise of our leadership and project teams. The Construct business was restructured and its strategy was refined. There was a reduction in the number of business units from five to three to bring greater consistency and efficiency to our performance. The processes through which we bid for work were adjusted to intensify our focus on targeting only the right projects for the right clients on the right commercial terms.

Encouragingly, of the new contracts signed during 2025, 58% (measured by project value) use lower-risk contract forms such as NEC3 target-cost contracts or construction management arrangements, on which our fee-based roles generate lower revenue but more attractive margins. This valuable shift is a direct result of the Tender Committee's interventions in the bidding process and the implementation of business unit playbooks, which have been developed to guide the selection of tenders.

The colleagues who work in our functional teams played a central role in preparing for and executing the transaction and performed exceptionally well all year, displaying calmness, patience, ingenuity and incredible levels of professionalism. There was additional work and complexity because of the transaction.

Services and systems had to be reconfigured to be ready to support two independent businesses whilst also keeping the business running smoothly in its previous formation. Our finance, tax, human resources, legal, company secretarial, marketing, communications and digital colleagues didn't skip a beat, and their commitment played a critical role in sustaining the performance of Construct and Consult.

Financial highlights

Following the demerger of Mace Consult in early 2026, that business has been presented as a discontinued operation in the consolidated statement of comprehensive income and comparatives have been restated. Mace Consult's assets and liabilities have been classified as held for distribution at 31 December 2025. The disclosed year on year movements in the Group balance sheet reflect this reclassification.

Profit before tax was reduced by three substantial exceptional items that totalled £59.7m. There was a £16.0m impairment of the business' loan to a joint venture (2024: £6.6m); a £21.0m cost of terminating a share appreciation rights scheme; and £22.7m of restructuring and separation costs. The two latter costs were incurred as part of the carve-out of Mace Consult.

As a result of global economic changes, there was a £4.4m negative exchange difference on the re-translation of balances in foreign subsidiaries (more than reversing the 2024 gain of £3.9m). At £3.1m, dividends were lower than in 2024 (£4.4m).

During the year, intangible assets decreased to £69.3m (from £155.1m at the end of 2024) because of software amortisation and, more significantly, the reclassification of Mace Consult-related balances as assets held for distribution. This decrease signals that, following the completion of the carve-out of Mace Consult, Mace Group's net tangible assets are expected to represent a substantially higher proportion of total assets than was the case at 31 December 2024.

Bank overdrafts at the year-end related entirely to Consult and have been included within liabilities held for distribution, with no overdrafts drawn by continuing operations. Cash balances were lower at the year end, primarily reflecting reduced use of overdraft facilities within the Group's cash pooling arrangements. Restricted cash increased by the end of the year, reflecting higher levels of cash held under contractual and joint operation arrangements, and service charge funds held on behalf of leaseholders, which are not available for general Group use.

Lease liabilities and borrowings reduced by £19.7m in the year, including a £7.5m reduction in bank loans and a £2.7m reduction in director, shareholder and ex-shareholder loans. There was an increase in current liabilities and a corresponding reduction in non current liabilities driven by scheduled bank loan repayments due in 2026.

The business' remaining debt was prepaid during March 2026 as part of the completion of the carve-out of Mace Consult, leaving Mace Construct debt-free.

Strong, transparent governance

In 2025, we committed to the principles of the Corporate Governance Code and applied the Code in a way that reflects our status as a privately-owned business with a long-term outlook. Our approach to governance has been, and will remain, proportionate, pragmatic and focused on the practices that genuinely strengthen oversight and decision-making.

That same thoughtfulness underpinned how we identified, assessed and managed risk in 2025.

2025 was the first year in which we had an independently chaired Audit & Risk Committee. The Committee played a vital role in guiding and overseeing our work on the transaction and the changes associated with it. We appointed a Head of Risk for the first time. The Head of Risk enhanced our risk identification and management processes, improving and extending our use of risk information and our risk management culture. We also began to establish an internal audit capability that will, over time, provide even more comprehensive assurance that our systems and processes are operating as they are intended to and insights to help drive even greater levels of innovation and control.

Ready to thrive

In one of the most extraordinary years in Mace's history, the business' continuing operations (comprising predominantly the Mace Construct business but also some legacy Mace Develop activities and our corporate functions) generated a pre-exceptional loss before tax in 2025 of £2.2m. However, this is after recognising a £13.0m provision that we expect to recover in a future accounting period (as set out in note 20). We therefore consider that the continuing operations generated an underlying profit before tax for 2025 of £10.8m.

This indicates that even without further changes, the continuing operations of Mace Group would be profitable and debt-free. However, although this is a positive starting point, the senior leadership team is ambitious and is determined to do what is necessary to achieve the highest possible levels of performance consistently.

By operating only, or at least predominantly, in the UK, the business will be able to simplify its operating model substantially. The UK is a market in which Mace Group has a powerful set of client and supply chain relationships, and an established team of construction experts. It's an environment in which the crucial basic disciplines of project delivery (our grip on safety, scope, schedule, cost, cash flow and quality) are embedded firmly. It's also a market in which Mace Group has often led the way in terms of innovation, productivity, partnership and value.

The ambition is bold: to make the most of our market position and the benefits of the carve-out to position Mace Construct as one of the largest, most profitable and most financially resilient contractors in the UK.

2026 will be a transitional year for Mace Construct. It will be the last in which we begin the year with the residual infrastructure and overhead from our time as a four-engine, global business. We have a transitional services agreement with Mace Consult, through which we have provided digital and some other business services whilst they establish their own operating platform. The central task now is to maximise the benefits of Mace Construct's simpler structure, its tighter focus on key markets and its growing, debt-free financial resilience. We will incur some exceptional separation and restructuring costs as we make the necessary changes. However, our shareholders have invested in the company and with their continuing support, Mace Group has a once-in-a-generation opportunity to configure the business for enduring success.

2025 was a challenging but tremendously successful year for Mace Group. It was a privilege to work alongside the many colleagues whose talent and dedication created this success. I will be stepping down from my role in October 2026 and handing the baton to Tony Arthurton who has been at the heart of so much of what the finance team has accomplished over the last few years. As a simpler, more focused business, Mace Construct has a fantastic platform for growth and exciting, ambitious plans for the future. I'm looking forward to watching it thrive.

David Allen

Group Chief Financial Officer
26 October 2026

Construct headcount*

2,175

Construct revenue

£2.3bn

Construct operating profit

£39.1m

CONSTRUCT REPORT

A bold new chapter

In 1990, Mace Group was founded out of a belief that the industry could be more efficient, innovative and responsible. Today, Mace Construct carries that belief forward. We are focused solely on construction delivery; building on our legacy as an industry-leading, award-winning contractor that is the sixth largest in the UK¹. We've made headlines and shaped skylines for decades, setting ourselves apart through innovation, dependable and predictable delivery and the commitment, diligence, ingenuity and ambition of our people.

Despite 2025 being a year of significant change, our teams continued to focus on the needs of our clients and on enhancing our offer through innovation and productivity improvements.

As a result, Mace Construct grew in 2025. Revenue increased from £2.1bn in 2024 to £2.3bn. We handed over 32 projects (a 19% increase on 2024) including state-of-the-art sustainable offices, hyperscale datacentres and critical infrastructure. We secured 28 new projects with an aggregate value of more than £5.3bn; an achievement that meant we topped the industry league table for 2025². We were named Major Contractor of the Year by major industry publications for the eighth year in a row.



The last 12 months have seen the Construct business winning and working on some of the biggest projects and schemes across the public and private sectors. We are delivering one of the largest datacentres in Europe, perhaps the most significant civic development in the UK at Salisbury Square, and several of the biggest commercial and retrofit projects in London. We worked at four of the five major UK airports and on two important rail stations as part of one of the largest construction projects in the country.

“The last 12 months have seen the Construct business winning and working on some of the biggest projects and schemes across both the public and private sectors.”

* Inclusive of agency and contingent workers as of 31 December 2025.

1 Top 150 Contractors & Housebuilders 2025: The main table | Features | Building

2 Mace crowned annual contracts league champion | Construction Enquirer News

Stonecutter Court
– London

Commercial

The requirements of commercial office clients continued to evolve in 2025. Demand for high-quality, low-carbon, futureproofed offices increased the importance and value of our expertise in meticulous, cutting-edge delivery. More clients turned to us for help unlocking value from their existing assets and for the innovations that are helping to set new benchmarks for sustainably reimaged buildings.

This trust-based approach helped secure one of our biggest wins of the year: our appointment as Construction Manager on The British Library Extension by Mitsui Fudosan and long-term client, Stanhope. The new development, based at the heart of London's Knowledge Quarter in St Pancras, will create 100,000 sq ft of new library space for culture, learning, research and business, more than 600,000 sq ft of new commercial office facilities and infrastructure that will be able to accommodate Crossrail 2.

There was a second appointment with Mitsui Fudosan who are partnering with developer Edge to deliver of a 20-storey building at Liverpool Street; an exciting follow-on from the current – project to deliver a 28-storey tower at London Bridge for Edge.

The benefits of valued relationships could be seen in other appointments throughout the year. An appointment to build a £200m office block at Paddington is the latest in a series of projects with developer Helical, including the best-in-class net zero office development, JJ Mack Building, and 100 New Bridge Street, a project that has embraced the principles of circularity. We will be transforming Imperial College London's largest venue, the Great Hall. This is the second project we will deliver for Imperial following the successful completion of the National Heart and Lung Institute, a cutting-edge lab and workplace advancing research in respiratory science. Long-standing client British Land selected us to support the delivery of London's largest retrofit project. Designed to be all-electric, both during construction and operation, the project gives us the opportunity to showcase our expertise in delivering large retrofit developments, while also highlighting how reuse strategies can drive circularity in construction.

This same expertise will be utilised through our appointment on both 65 Gresham Street – one of the largest building reuse projects in the City of London – and the Fresh Wharf project, involving the transformation of a prominent 1980s building into a high-performance, sustainability-led workplace. We were also contracted to be Construction Partner on the 85 Gracechurch Street project, an all-electric development set to become one of the greenest tall buildings in London.

We completed some significant projects during 2025. Stonecutter Court, a 13-storey, 250,000 sq ft commercial development incorporates intelligent building systems and a reimagined public realm that prioritises wellbeing and flexibility. We completed a fit out for global law firm Taylor Wessing at 5 New Street Square. Shard Place, the final building in Renzo Piano's Shard Quarter trilogy was handed over and the Chapter Living, London Bridge student living project opened at the completion of a project that adopted a suite of innovative offsite construction methods.

We broke records in 2025 handing over Panorama St Paul's to our client, Pella Real Estate Partners, and Orion Capital Management. The project is one of the largest retrofit developments ever to achieve planning in the City of London. The transformation of the outdated 1980s office building into one of the most energy efficient buildings in The City set a clear benchmark for projects of its type. The handing over of Woolgate Exchange to client, Stanhope, also provided a great example of sustainable office refurbishment in the City of London. The Edenica, 100 Fetter Lane project won the Project: Workplaces (built) category at the New London Architecture Awards.

Public, Science & Technology

Our Public, Science and Technology team was appointed to work on some of the sector's most exciting and innovative developments in 2025. Our work with Pure Data Centre Group — delivering Europe's first datacentre microgrid in Dublin and completing the expansion of Pure's London campus — strengthened our position in delivering the hyperscale and AI-ready infrastructure the market is increasingly demanding. We signed the main construction contract for Vulcan 20-20, a major scientific infrastructure project that will deliver the world's most powerful lasers at the Science and Technology Facilities Council's (STFC) Rutherford Appleton Laboratory in Oxfordshire. We were also appointed to deliver the new headquarters of the European Centre for Medium-Range Weather Forecasts (ECMWF), which is located on the University of Reading's Whiteknights campus and will be a global hub for weather and climate research. Set to have the lowest embodied carbon of any new-build project in our portfolio, the net zero carbon building is being delivered with a clear focus on sustainability and cost efficiency.

This year we announced our partnership with The Natural History Museum as we embark together on its NHM Unlocked Programme. The project involves the delivery of a landmark Collections, Research and Digitisation Centre at Thames Valley Science Park in Reading. This 25,000 sq m facility, designed to protect the past and power the future, is an investment in science and sustainability. From responsibly sourced materials to low-impact construction methods, the centre is being built to be net zero carbon in operation.

AstraZeneca Cambridge – UK



“Our teams are currently delivering facilities that match the sector’s innovative spirit; buildings that are as regenerative and forward-thinking as the science they house and enable.”

NHM Unlocked will also help reopen two long-closed galleries in South Kensington by relocating a third of the Museum's collections, creating new opportunities for education and community engagement.

The strategically important life sciences sector remained resilient in 2025. Growth was driven by policy, innovation and capital. However, clients were looking for risk reduction, delivery certainty and speed to science. Our deep technical expertise and knowledge of the unique complexities life sciences facilities face, from strict regulatory compliance and cleanliness standards, to evolving technological demands means that we are currently involved in some of the most innovative and forward-thinking developments across the sector including the Daubeny Project, Belgrove House, UCL's Institute of Neurology and the Dementia Research Institute. Our teams are currently delivering facilities that match the sector's innovative spirit; buildings that are as regenerative and forward-thinking as the science they house and enable.

2025 also marked a breakthrough for the future of data centre delivery due to our partnership with clean infrastructure developer and investor Pathfinder Clean Energy Limited (PACE). PACE has a portfolio of secured clean power able to supply 168MW of IT capacity. Power availability is expected to come online as early as 2027, with data capacity following from 2028. The partnership will see our teams engaged at the earliest stages of these projects. Once built, the facilities will be powered through 'direct wire' renewable power generation and will store energy, creating a foundation capable of supporting scalable, energy-backed digital infrastructure. The partnership allows Mace Construct to utilise its decades of experience delivering some of the biggest and most complex data centres in Europe.



Infrastructure

Our infrastructure business grew by 42% over the past 12 months and is expected to generate revenues of approximately £500m in 2026.

In 2025, we once again demonstrated our capability and experience in the aviation sector, enhancing passenger experience and operational efficiency in major airports across the UK. At London Gatwick, the team was appointed to build an £85m extension to the mid-airfield pier (Pier 6). Having built the airport's pioneering 197m airbridge and original Pier 6 in 2005, the project will see us once again lead a challenging build in the middle of the world's busiest single runway airport.

Our 33-year relationship with British Airways was strengthened further this year with the awarding of a three-year framework and the completion of the BA Fleet Support Unit (FSU) hangar, which plays a pivotal role in keeping the airline's fleet moving. The FSU spans an impressive 3,792 sq m and is a significant upgrade on the previous facility.

This year we also successfully completed the renewal of Heathrow Airport's 870m cargo tunnel, which was originally built in the 1960s.



Terminal 5
Heathrow Airport – UK

The £153m project aims to improve the tunnel's multi-purpose use, accommodating a range of vehicles and services. The team introduced offsite production methods using 724 service modules, which reduced greenhouse gas emissions by 22% compared to traditional methods. In addition, innovations, such as Boston Dynamics' robot dog, were used to set out the structural fixings, enhancing the safety and accuracy of the installation of the modules.

The infrastructure business also handed over a £400m redevelopment of Manchester Airport's Terminal 2 in 2025. Playing a proud part of Manchester Airport's ambitious £1.3bn Transformation Programme since 2019, our team retrofitted the 30-year-old Terminal 2 East which included an expanded International Departure Lounge with 20 new retail spaces, a new World Duty Free and Boutique Boulevard, a state-of-the-art security hall, an upgraded plantroom, new circulation cores and airline offices. This retrofit project stands as a powerful example of how airport terminals can be revitalised.

Cargo Tunnel
Heathrow Airport – UK



Specialist services

Our strategy is to use our own MEP delivery expertise to improve performance and add significant value to our projects. With a 60% increase in headcount the Specialist Services team is currently working on nine live projects across several sectors and for a range of clients. The team helped secure significant public sector wins including the Natural History Museum and the STFC's Vulcan 20-20 project. In the infrastructure market, they are building and strengthening teams at Gatwick and Heathrow and have a healthy pipeline of future work.

The team celebrated the completion of some high-profile projects in 2025 including Panorama St Paul's and the Heathrow Cargo Tunnel project.

The Specialist Services team is not only a reliable delivery partner. It also leads carbon reduction efforts and has launched Mace Construct's new instant embodied carbon calculator. Developed in-house, the programme calculates embodied carbon in seconds and measures embodied carbon on selected MEP components. It not only allows the carbon of the whole MEP installation to be calculated for the first time but also compares the carbon impact of MEP design options and variations. The programme accelerates and improves the quality and accuracy of decision-making, shortening project timelines and helping project teams to make informed, sustainable material selection and procurement choices, aligning our projects with best practices in low-carbon construction.

Evolution. Consistency. Predictable delivery.

In 2025, Mace Construct took a conscious decision to bid more selectively whilst continuing to secure iconic projects with leading clients. The business performed well in a context of substantial, unprecedented change for the Mace Group and made important structural and operational changes that mean the business entered 2026 on a stronger footing and with genuine confidence.

As we look ahead to 2026 and beyond, Mace Group will focus on maximising the performance, resilience and value of our UK construction business: strengthening client outcomes, improving productivity and ultimately transforming delivery to grow margins, while building a risk-balanced portfolio and further diversifying our sector exposure. This clear, ambitious growth agenda will also include a new vision and identity built around our construction heritage and who we are today: a bold and innovative contractor with a clear view of what we want to achieve together in the future.

As the post-balance sheet event disclosures relating to the carve-out of Mace Consult indicate, all of Mace's debt (including its Export Development Guarantee loan) was prepaid as part of the completion of that transaction. The pooling arrangements through which Mace Group's cash was managed prior to the carve-out were dismantled prior to the completion of the carve-out. Consequently, Mace Construct is now debt free and overdraft-free.

Mace Construct can now concentrate fully on our core contracting expertise and expand into new sectors without the constraints and potential conflicts of interest of our previous hybrid model. This renewed focus is powered by what sets us apart: innovation, dependable and predictable delivery, and the commitment, diligence, ingenuity and ambition of our people.

Consult headcount*

5,587

Consult revenue

£771.5m

Consult operating profit

£60.8m

CONSULT REPORT

Clients. Ambitions. Growth.

2025 was a strong year for Mace Consult, marked by major appointments, progress on some of the world's largest programmes, and sustained growth in revenue and headcount across the globe. The year demonstrated the strength of its four geographic hubs (Americas, Asia Pacific, Europe and the Middle East) and set a clear path for future growth as an independent business.

Across several years, Mace Consult has built a distinctive model that sets it apart as a leading programme and project management services provider. Over the past 12 months, under Chief Executive, Davendra Dabasia, the value of that model became evident, accelerating growth and positioning the business to secure investment for future growth.

Following the majority investment by Goldman Sachs Alternatives (announced in July 2025 and completed in March 2026), Mace Consult has strengthened its platform to grow as an independent business. With new capital and strategic backing, it will scale operations and invest in digital tools that increase predictability, automation and control, setting new standards for programme and project delivery.

Client focus

In 2025, Mace Consult secured more repeat and new work to support long-term, high-margin performance. The business was appointed to major global capital programmes with leading blue-chip organisations, delivered landmark giga-schemes for clients in its MEA hub, and oversaw the completion of critical defence infrastructure in the UK. The growth and success achieved in 2025 was aided by accelerated recruitment and reduced attrition.

In the US, Mace Consult, as part of a joint venture, was awarded a 4.5-year contract extension by the Gateway Development Commission on the Hudson Tunnel Project, and in August 2025 acquired Turton Bond, a US-based independent cost consultant and project management company. The partnership will enable growth in the technology sector by combining Turton Bond's relationships with leading technology firms and Mace Consult's track record of delivering major infrastructure programmes.

In 2025, the business was appointed Programme Delivery Partner on two of the UK's largest programmes. As part of an unincorporated joint venture, Mace Consult will support Anglian Water's £11bn capital investment delivery programme over the next 15 years. In another joint venture, Mace Consult is helping to deliver the New Hospital Programme, which will transform healthcare facilities across the country.

Bicentennial Schools Programme – Peru



In APAC, Mace Consult was appointed, as part of a wider team, as Programme Management Partner to the Civil Engineering and Development Department (CEDD) of the Hong Kong Special Administrative Region, a 30,000-hectare programme that will connect northern Hong Kong to southern Shenzhen and envisioned to be a new engine of growth for the region.

Mace Consult also secured several important framework wins in 2025, including two which will support Network Rail in the North-West, and Central and Eastern regions. The Cost and Commercial team was appointed by Transport for Greater Manchester to support an integrated transport network through the TPS2025 Framework, including the next phase of the Bee Network; Greater Manchester's vision for a fully integrated, carbon-neutral public transport system. This award builds on a successful partnership with TfGM and the Greater Manchester Combined Authority across a four-year period.

* Inclusive of agency and contingent workers as of 31 December 2025.

Metrolink GO Expansion
Program – Canada



These long-standing client relationships reflect Mace Consult's ability to collaborate, share learning and apply best practice across geographies and markets. In 2025, its core service lines were strengthened across four areas: Programme and Project Management; PMO and Planning; Cost and Commercial Management; and Advisory. Through well-established internal networks and communications channels, colleagues working across these service lines are connected, which supports skills and training, drives service excellence, aligns assurance and shares digital insight. Investment in digital capability during the year also advanced Mace Consult's evolution as a digitally enabled partner to clients.

Embedding resilience

Alongside responding to trends such as urbanisation and digital connectivity, resilience became a defining theme in 2025, shaping work across energy, utilities and the urban environment, and creating opportunities to introduce innovative, sustainable practices for forward-thinking clients.

An example of this was Mace Consult's appointment to one of Ireland's most ambitious infrastructure investments, having been selected by EirGrid as part of a joint venture for a lead role on its Engineering Design, Planning and Project Management Framework. Projects are due to commence in 2026 and will enhance the efficiency and certainty of delivery across Ireland's electricity transmission system.

Appointments like this show that Mace Consult's programmes are about more than delivery outcomes. They embed sustainability, build resilience and help future-proof the built environment. This was also reflected in 2025 through the partnership with Prime Infra, where Mace Consult will support across two pumped-storage hydroelectric power projects in the Philippines, combining experience on large, complex programmes with a deep understanding of the region's infrastructure needs.

In addition, Mace Consult was selected by United Utilities for leading roles on two lots of its Commercial Consultancy Framework, supporting the largest investment in water and wastewater infrastructure in the North-West of the UK for a century.

Creating places that matter

In Peru, colleagues supported the Bicentennial Schools programme to deliver a further 17 schools, building on the 75 already under construction and 46 already open. In Rwanda, the team delivered a community centre that offers sporting grounds and cultural venues, as well as a place for people to meet and connect. In the Philippines, the first AI-ready, hyperscale data centre in the region is now enabling faster internet connectivity for more than 87 million people.

"In 2025, Mace Consult continued to create places that matter, function and inspire."

ENGAGING WITH OUR STAKEHOLDERS

Stakeholder interests and key Board decisions

Mace maintains a governance framework that enables organisational effectiveness and high-quality decision-making that considers the interests of stakeholders appropriately.

Our process for making decisions demonstrates that we have applied Section 172 successfully.

Section 172 Companies Act 2006

This section of the Strategic Report forms our Section 172 statement and addresses the requirements of the Companies (Miscellaneous Reporting) Regulations 2018.

The Board must act in accordance with the duties set out in the Companies Act 2006 (the 'Act'). When making decisions, the Board ensures that it complies with Section 172 of the Act by acting in a way it considers, in good faith, would most likely promote our success for the benefit of our members as a whole, and in doing so has regard to matters set out in Section 172 (1) (a) to (f) of the Act when performing their duties.

As described in the Corporate Governance Report, from 1 January 2025, the Board began adopting the UK Corporate Governance Code 2024 ('the Code') on a voluntary basis to strengthen its governance and oversight arrangements. This decision placed new obligations on the Board during 2025. It is required to comply with the Code or explain areas of non-compliance.

The role of the Board and matters reserved to it were codified in revised terms of reference. The Board also established committees with formally-adopted terms of reference to help it oversee the business and make decisions.

The Chief Executive is delegated authority from the Board for the day-to-day running of the business within defined parameters. From 1 January 2025, the Chief Executive established a Group Executive Committee (GEC) to support him in discharging his duties and with management decision-making.

The membership of the Board and the GEC is set out on pages 70 to 74. Details of these revised governance arrangements are included in the Corporate Governance report on page 68.

"The strategy outlines our drive to be a purpose-led business and sets out key priorities and exactly how Mace will become an even bolder, stronger and more resilient Group."

The members of the Board met formally on a quarterly basis and a significant number of additional meetings were convened during 2025 and the first part of 2026. These additional meetings were needed to consider strategic matters, particularly those relating to the carve-out of the Mace Consult business.

The Mace Group launched its 2026 Business Strategy in early 2021. The strategy outlines our drive to be a purpose-led business and sets out key priorities and exactly how Mace will become an even bolder, stronger and more resilient business and fulfil its purpose 'to redefine the boundaries of ambition'. Each priority and its associated targets have been chosen to ensure that Mace meets the needs of all its stakeholders, through the ways our activities impact them. This is reflected in our focus on being a responsible business, in connection with which we measure our performance based on the wellbeing of our people, our impact on the environment and how effectively we generate social value for the communities in which we work. Our purpose and priorities were developed in partnership with Mace colleagues through direct engagement. They provide a clear framework through which we engage with all of Mace's stakeholders; from our people to our supply chain, clients and beyond. As the Mace Group enters the final year of the 2026 Business Strategy, the Board has actively considered how the sale of the Consult business will shape the strategy in the future.

In discharging its Section 172 duties, the Board has adopted a strategic approach to stakeholder engagement. While the Board has overall responsibility for managing relationships with all our stakeholders, it delegates some of the practical responsibilities for engaging with stakeholders to the Chief Executive.

The Board continues to operate under a governance framework that protects and enables organisational effectiveness and high-quality decision-making. It helps avoid duplication of work, reduces cost and empowers colleagues to become an unstoppable force for good. The Board has considered the impact of decision-making on key stakeholder groups in the daily management of the business and in the setting of the Group's long-term strategic vision.

The following table provides examples of stakeholder engagement undertaken by the Mace Group.

Stakeholder group: Colleagues	Engagement with our colleagues: Our ambition is to ensure that we are always in close dialogue with our colleagues, and that their perspectives and needs are accounted for in the Board's decision-making. Mace is committed to growing together with our people, and our ambition is to be the most diverse and inclusive employer in our industry. We take a strategic approach to colleague engagement, using multiple channels to ensure people are informed about major changes within the business, how we operate and our performance. In 2025, this included: 1. Integrated use of digital engagement channels, including a global digital news site; 2. Regular news content from across the Group, including major project wins, programme appointments and milestones; 3. The active management of digital community spaces for colleagues through Microsoft's Viva Engage and Teams platforms; 4. Two annual Group-wide virtual communication sessions, Mid-Year Comms and End of Year Comms, broadcast live to thousands of colleagues around the Group; including region specific sessions hosted by the relevant leaders; 5. Regular engagement through leadership cascades around mental health and wellbeing; 6. Monthly email updates from Mace's Executive Chair and Chief Executive to all colleagues; 7. Supporting the activity of Mace's six Employee Resource Groups: Pride at Mace, Ethnic Diversity at Mace, Women at Mace, Enabled at Mace, Parents at Mace and the Mace Military Network; and 8. Gathering feedback from our teams about their engagement with Mace through an employee survey. There were also a number of forums in which colleagues were invited to join senior members of the Mace leadership team to discuss issues and concerns directly. These include monthly 'Breakfast with the Board' sessions, which are open to all employees, and the Consult Engine's 'Employee Council'.	The results were: The Board made several decisions in 2025 that had a direct impact on colleagues across the business. The decision to sell the Consult business meant that a significant amount of Board and Committee time was devoted to the separation of the businesses and ensuring that Consult could operate on a standalone basis. Work was required to ensure that employees were transferred to Consult in accordance with applicable employment law obligations and that the measures in place to support employees were robust and effective. Notwithstanding the uncertainty generated by changes to the Mace Group; in 2025, 75% of our people participated in our employee survey. 74% said they were either 'very satisfied' or 'somewhat satisfied' with our current Employee Value Proposition. 83% of respondents felt able to be themselves at work and 89% felt respected and valued by line managers. 89% felt that they make a valuable contribution. 69% of people experienced positive emotions and a sense of purpose.
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Stakeholder group:

Clients

Engagement with our clients:

As construction experts and committed partners, we work with our clients every day to achieve their visions and create a positive impact. By consistently engaging with our clients at an operational and corporate level, we give them confidence, sharing best practice and knowledge to ensure that our relationships remain open and collaborative.

In 2025, this included:

- Embedding a collaborative, partnership-led approach to navigating challenges in the trading environment, ensuring risks and impacts are managed constructively with a focus on reducing the likelihood of contractual or legal disputes.
- Undertaking regular client surveys to ensure that our service delivery was consistently excellent and to support better decision-making.
- Promoting effective customer relationship management (CRM) across the organisation, using digital tools and careful planning to ensure clients' needs are met consistently.

The results were:

In 2025, our business went through significant change. We worked hard to keep our clients engaged and informed, and to keep delivering consistent performance and high-quality project outcomes. As a result, our clients continued to place their trust and confidence in us. We maintain high levels of repeat business because of the strong relationships we have been building for decades.

The Board continued to place clients' needs at the centre of decision-making, with a clear focus on delivering high-quality, safe, responsible and genuinely valuable services. To maintain a deep understanding of client expectations, every satisfaction survey is reviewed at Board level, enabling best practice to be shared quickly and any issues to be addressed without delay.

Our client satisfaction score for 2025 was 89%.

We continued to explore the significant opportunities available to us through leading-edge technology, including AI and robotics. This allowed us to be more productive and efficient, helping us redefine how we work, how we support our clients, and how we deliver our projects. By using digital capabilities and a vast range of data, we deliver more safely, more quickly and more sustainably, increasing productivity, reducing waste and providing high levels of quality assurance.

Stakeholder group:

Supply chain

Engagement with our supply chain:

We work closely with our supply chain partners ensuring that our teams have the right blend of expertise and experience. These partners bring breadth, depth and diversity to our work, shaping the culture on our sites and strengthening the outcomes we achieve together. Relationships with our supply chain are built on trust, transparency and aligned goals, operating within a shared framework that supports innovation, reduces risk and improves coordination.

In 2025, this included:

- Briefing our UK construction strategic supply chain to engage them in our response to market challenges and give them the opportunity to provide feedback.
- Sharing information received from Build UK and the Department of Business and Trade.
- Assisting the supply chain in addressing material availability with regular input from the Group Procurement Director.
- Adopting a 'collaboration first' approach to managing the risks and impacts associated with the difficult trading environment, minimising contractual or legal challenges.
- Supporting our project teams to help them develop a comprehensive and detailed understanding of how our supply chain operates, including labour levels, materials and product availability, and productivity.
- Paying suppliers promptly and fairly to promote operational resilience and long-term partnerships.

The results were:

The Board ensures our decisions support the resilience and long-term health of our supply chain, shaping policies on planning, procurement, payment and risk allocation to help strengthen their businesses and create the conditions for mutually beneficial relationships.

Of particular note is our continued prioritisation of prompt payment, ensuring that our supply chain is compensated quickly for the work they do on behalf of Mace; providing support and stability to the companies that work for us and the people they employ.

We worked with our supply chain partners to develop solutions that enhance sustainability, and together, continued to deliver an off-site production library giving clients flexible access to the latest innovations and safe, efficient, agile ways of working.

We delivered health and safety training to our supply chain through our Business School and invested in digital solutions, internal training programmes and a detailed risk review to ensure our continuing compliance with the Building Safety Act.

The result of this approach is evident in the exceptionally high standard of delivery we achieve for our clients safely, sustainably and consistently across all projects.

Stakeholder group:**Financial institutions****Engagement with financial institutions:**

Mace is keenly aware of its responsibilities to the financial institutions we work with. This includes the institutions that insure us, provide bonding, guarantee or banking facilities, have held our debt, or are engaged with us through our project work.

To ensure that financial institutions are kept closely engaged, we regularly share data on the Group's operational and financial performance, its prospects and plans, and its key risks and opportunities with key stakeholders.

In general, this is through meetings that the CFO and their team hold with banks, HM Treasury, insurers, sureties, credit insurers, auditors, clients, HM Revenue & Customs and other tax authorities.

The results were:

Ensuring that the Board's decision-making is in line with the needs and expectations of our financial stakeholders was a priority for the Board in 2025.

The Mace Group considered in detail the implications of the sale of the Consult business on financial stakeholders, recognising the need to ensure their understanding and ongoing support. The Board considered at length and in depth the financial impacts of the transaction on Mace Group. The business' bonding, guarantee, debt and banking arrangements were updated or exited, as appropriate.

Stakeholder group:**Local communities****Engagement with our local communities:**

Our focus is on creating real, societal impact for our clients and the communities they work in. We are committed to creating local employment opportunities, supporting local businesses, volunteering our time and skills, and raising funds for good causes, and we'll continue to engage with these communities and leave a lasting legacy. Our skills training and education programmes with schools and disadvantaged people continue to offer invaluable opportunities for people to join our industry now and in the future.

We take our commitment to social value seriously. Each year, we commission an independent measurement of our social value performance through our value to society KPI, which in 2025 tracked more than £983m of social value delivered by Mace.

This includes efforts to:

- Operate an established team of community engagement managers, each of whom takes responsibility for different Mace projects
- Engage and communicate with residents about disruption that might be caused by our activities
- Work closely with local community organisations and clients to use local labour on projects
- Build a pipeline of young apprentices and graduates across our business drawn from a diverse range of communities
- Provide each Mace team member with a volunteering day each year, and proactively identify opportunities for them to support local causes
- Provide ad-hoc support to, and engagement with, local communities around our projects, including school visits.

The results were:

Mace's recognition of the impact of our work on communities around the world is demonstrated through the Board's clear commitment to being a responsible business and pursuing a sustainable world.

As detailed in the TCFD section of this report we are working proactively to ensure that the construction projects and programmes we deliver on behalf of our clients have a positive impact on the climate and on communities around the world.

In 2025 the Foundation made an incredible impact, donating over £940,000 to charities worldwide. Over £1m of social value was also created through the awarding of nine grants focused on helping disadvantaged young people around the world into education and employment.

The Board's decisions are informed by a data-led understanding of the impact of our work on the climate and biodiversity; and our annual contribution of social value through the Value2Society measurement is summarised on page 50.

We understand that when social value is integrated with project delivery, its impact extends well beyond individual initiatives. Projects that are trusted locally are better positioned to progress smoothly, with fewer challenges linked to disruption or misunderstandings. Workforces that are supported through inclusive hiring and skills development are more resilient, contributing to greater certainty across programmes.

At a more local level, the successful maintenance of good relationships with the communities around our major projects demonstrates that we are working effectively with them to minimise disruption.

In 2025, 19 of our construction sites were recognised for their outstanding performance at the Considerate Constructors Scheme National Site Awards for demonstrating outstanding commitment to the Code of Considerate Practice in the areas of Community, Environment and Workforce.

Stakeholder engagement

Continued

Stakeholder group: Government and industry stakeholders

Engagement with our government and industry stakeholders:

As a responsible business and a leading private UK company, Mace is committed to working with our peers and government stakeholders to improve our entire industry, in the UK and around the world.

We believe that it is vital for us to engage actively and regularly outside our organisation, listening, learning, sharing insight and arguing for change that will improve how our industry operates.

To communicate and engage with our peers and government, we:

- Take an active role in trade associations and senior industry leadership bodies such as the Construction Leadership Council and Build UK
- Take an active role in engaging with local, regional and national governments, including working directly on behalf of central government departments and local authorities in the UK and beyond
- Support and help lead non-governmental regional business groups, such as the Northern Powerhouse Partnership, BusinessLDN and others
- Take part in cross-sector working groups and activities.

The results were:

The impact of our engagement can be seen through a number of high-profile appointments to cross-industry bodies.

As a result of wider engagement with government and sector bodies the Board was able to maintain a detailed understanding of the issues and threats facing our sector, peers, clients and suppliers.

The maintenance of effective relationships with government, regulatory bodies and other key organisations enabled us to share knowledge and improve best practice across our industry.

Due to proactive engagement from Mace's leadership team, the business was able to communicate effectively and quickly the changes for our clients, colleagues and supply chain; and in turn this has enabled us to move forward with minimum disruption.

Stakeholder group: Shareholders

Engagement with our shareholders:

The company has a small shareholder base that includes two of the Executive Directors and two members of the GEC.

The Chair regularly discusses key matters with shareholders who are not Board members and provides information on the performance of the business, together with information about the key risks, opportunities and challenges it faces.

The results were:

The sale of the Mace Consult business was approved by all shareholders entitled to vote.

Signed on behalf of the Board of Directors

Mark Reynolds CBE

Group Executive Chairman

26 October 2026

RISK MANAGEMENT

The company continues to strengthen its integrated control framework, which underpins the identification, assessment and management of the legal, regulatory and operational requirements associated with the organisation's strategic objectives. Mace Construct has embedded a cohesive risk culture across the organisation, ensuring that risk considerations are consistently reflected in decision-making at every level.

The framework is built around four core components:

1. Governance structure

The governance structure has clear lines of accountability and strengthened oversight mechanisms. This ensures that responsibilities for identifying and meeting legal, regulatory and other business requirements are well understood across the business.

2. Enterprise Risk Management Framework (ERMF)

The framework improves visibility of emerging risks and supports more forward-looking risk assessments. Updates to risk methodologies, improved clarity of risk ownership and increased engagement with leadership teams have helped drive continuous improvement in managing risks and opportunities.

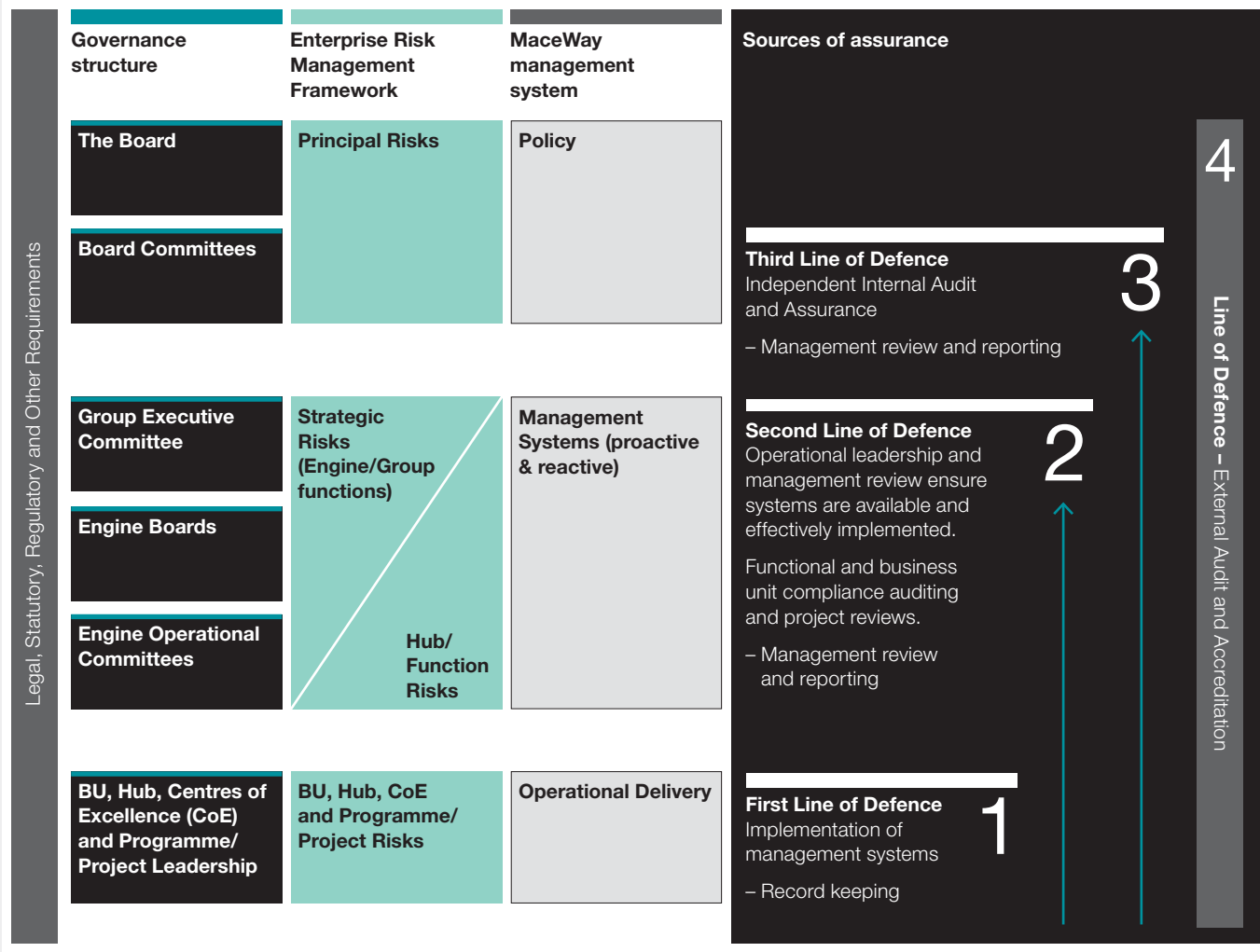
3. MaceWay management system

The MaceWay ensures the policies, procedures, standards and training continue to provide a consistent and safe way of working. Enhancements to digital access, control effectiveness guidance and compliance monitoring strengthen operational discipline and support a resilient risk culture.

4. Sources of assurance

The four lines of defence model continues to evolve. Additional focus on risk and control assurance, improvements in data-driven insights and closer alignment between operational delivery, management review, internal audit and external audit reinforce confidence in how the business is operating.

2025 INTEGRATED CONTROL FRAMEWORK



The Board's approach to Enterprise Risk Management

The Board maintains overarching responsibility for the Enterprise Risk Management Framework and the internal controls that support the identification, management and mitigation of risk. The Board and the Audit & Risk Committee provide scrutiny of the organisation's risk profile, ensuring that risk appetite, strategic objectives and operational realities remain aligned. The Audit & Risk Committee is delegated authority to:

- Oversee and challenge the risk management framework and processes;
- Recommend appropriate risk appetite parameters that reflect agreed strategic ambitions and the market environment;
- Ensure robust assessment and mitigation of the risks facing the Company; and
- Review the effectiveness of internal controls and the operational resilience arrangements.

As part of this oversight, the Committee received enhanced reporting on principal risks, emerging risks, lessons learned from assurance activities, and the actions taken to strengthen control effectiveness. Members of the Group senior leadership team remain accountable for the management of principal risks, ensuring senior-level ownership and visibility.

Operational risk management

Risk is assessed at project, business unit, function and enterprise level. Leadership teams deploy a consistent application of the ERMF using an enterprise risk management system, improving the quality and comparability of risk information across the business.

Dedicated operational committees regularly review risks and escalate in accordance with the business risk profile. There is coordination between project-level risks and business unit-level oversight, supported by continued adoption and enhancement of the enterprise risk management system. This provides clear visibility of the diverse risks associated with delivery and enables more informed, data-driven decision-making.

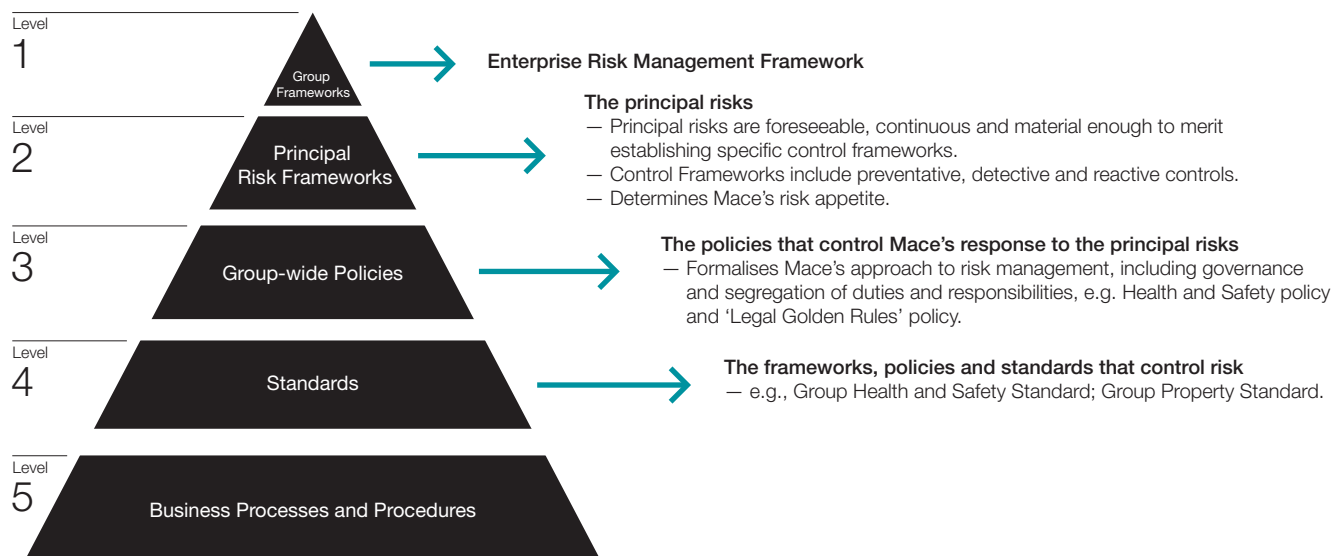
Risk appetite

The Company's risk appetite remains closely aligned with the delivery of the 2026 Business Strategy. Risk appetite informs operational and strategic decisions, ensuring that major bids, investments and delivery remain within acceptable tolerance levels.

Greater engagement with leadership teams, improved articulation of risk thresholds and more consistent use of escalation pathways have contributed to a stronger risk culture and more deliberate risk-based decision-making across the organisation.

“Dedicated operational committees regularly review risks and escalate in accordance with the business risk profile.”

RISK MANAGEMENT FRAMEWORK



PRINCIPAL RISKS

Principal risks are the risks which could have the most significant impact on the business and its reputation.

Mace groups its principal risks into five themes:

1. Climate

The risk of suffering loss or damage due to climate change, either impacting Mace directly or by affecting its clients, employees or other stakeholders.

2. Conduct

The risk of detriment to clients, partners, employees or other stakeholders, from the inappropriate supply of services, including instances of wilful or negligent misconduct.

3. Legal

The risk of loss or the imposition of penalties, damages or fines because of Mace's failure to meet its legal obligations, including relevant regulatory or contractual requirements.

4. Operational

The risk of loss because of inadequate or failed processes, human factors or external events.

5. Treasury / liquidity

The risk that Mace is unable to meet its contractual or contingent obligations or does not have the appropriate amount or mix of funding and liquidity to support business activities.

The following table summarises the current assessment of these principal risks.

PRINCIPAL RISK ASSESSMENT

Category	Risk Summary	Current Risk Trend (Based on Current Risk Score)	Internal or External Risk	Risk exposure		Risk Owner	Committee Oversight
				Current	Target		
Operational	Health & safety	➔	Internal			COO	Safety & Responsible Business
Operational	People & talent	➔	Internal			CPO	People
Climate	Sustainability & climate change	➔	Internal & External			CEO	Safety & Responsible Business
Operational	Political & macroeconomic change	⬆	External			CEO	Investment & General Purpose
Legal	Legal, regulatory & compliance	⬆	Internal & External			Group Strategy Director	Audit & Risk
Operational	IT security, resilience, cyber & data protection	➔	Internal & External			CIO	Audit & Risk
Conduct	Fraud	➔	Internal & External			CFO	Audit & Risk
Operational	Project delivery	➔	Internal			COO	Audit & Risk
Legal	Contract management	➔	Internal & External			Group Commercial Director	Audit & Risk
Operational	Third-party management	➔	Internal & External			Group Commercial Director	Audit & Risk
Operational	Innovation	➔	Internal			COO	Investment & General Purpose
Treasury/liquidity	Funding & liquidity	➔	Internal			CFO	Audit & Risk
Operational	Financial reporting	➔	Internal			CFO	Audit & Risk

PRINCIPAL RISK SUMMARIES

The following principal risk descriptions provide a forward look at the most significant risk that could impact the Mace Construct business in 2026 and beyond, supported by key controls to ensure our risk profile remains within appetite.

Operational 1. Health & safety	Risk trend  Risk owner COO
Definition A major health and safety incident, potentially involving fatalities could occur on a Mace Construct project or workplace because of a failure to follow established safe working practices. Impact Project or workplace disruption. Significant fines and reputational damage. Potential custodial sentences for senior employees. Negative impacts on the mental health of employees who witness or are involved in the recovery from incidents.	Mitigation Mace Construct integrates high standards of health, safety and wellbeing into all aspects of its operations, making these principles a core component of the organisation's culture. The 'Safety first – Going home safe and well' behavioural safety initiative and the 'Four steps to going home safe and well' commit the business to maintaining a culture where health and safety are prioritised, and achievements in this area are recognised. The organisation places considerable emphasis on comprehensive health and safety training, the responsibilities of supervisors, adherence to MaceWay standards and best practices, knowledge sharing, and collaborating with suppliers to uphold these standards throughout the supply chain. Additionally, mental health training and support is provided for employees, with projects and sites providing training, support mechanisms and live registers to maintain colleague wellbeing.

Operational 2. People and talent	Risk trend  Risk owner CPO
Definition Challenges in attracting, recruiting, developing and retaining enough talented, skilled, experienced and qualified people to deliver projects for clients or support corporate activity. These difficulties can stem from market conditions or a failure to establish a recruitment pipeline of suitable candidates to meet the future requirements. Impact A reduced ability to deliver for clients. Loss of skills, expertise or corporate knowledge when employees leave.	Mitigation Mace Construct continues to strengthen its People and Talent foundations through a series of targeted actions designed to enhance attraction, development and retention across the business. Competitive salaries, fair grading structures and clearly defined market aligned salary ranges are embedded through the Career Framework, ensuring transparency and equity in reward. To support capability building, first-class development programmes continue to expand across line manager and leadership levels. Inclusive and productive working practices are maintained across offices and sites, supporting our ambition to increase workforce diversity. Oversight of diversity remains strong, with regular review by the Board and the Construct Senior Leadership Team, ensuring sustained focus on building a resilient and diverse talent pipeline. Mace Construct also positions its supply chain as an extension of the organisation, built on shared values, collaboration and long-term partnerships. This creates a stable environment in which suppliers can invest confidently in their people, with the aim of tackling People and Talent risks in the wider construction industry.

Climate 3. Sustainability and climate change	Risk trend  Risk owner CEO
Definition Mace Construct may face physical and transitional challenges as a result of climate change if it is unable to adapt its operations adequately to more volatile and extreme climate scenarios. The organisation is responding to increasingly onerous legislative frameworks and market changes as a result of climate change. There are increasing levels of complexity as a result of shifting political and social priorities. Impact Loss of revenue due to delays on projects from severe weather events and acute climate change scenarios. Disruption to utilities and infrastructure because of climate change. Reduced ability to retain skilled staff and diminished reputation due to an actual or perceived failure to adapt to and to help mitigate climate change. Material and product availability and cost increases because of climate change and growing demand for low-carbon products could result in lower profits. There could be future financial penalties for not meeting UK legislative requirements.	Mitigation The organisation's commitment to creating a sustainable future is demonstrated by continued investment in initiatives aimed at reducing long-term climate impacts and minimising disruption for both the business and its clients. The climate strategy, regular horizon scanning and proactive adaptation to evolving policy and legislative requirements support improved climate resilience. Contracts and insurance arrangements are robustly structured to mitigate exposure to climate-related risks. Mace Construct maintains its ambition to lead advancements in the sustainability of the built environment, as demonstrated by the adoption of innovative construction methodologies and the integration of pioneering technologies. The ongoing assessment of climate risk remains a core element within the operational resilience framework, business continuity planning, and design and procurement processes, supporting the organisation's ability to adapt and thrive in a changing climate.
Operational 4. Political and macroeconomic change	Risk trend  Risk owner CEO
Definition Social, political macroeconomic and industry changes negatively affect confidence and slow or reduce investment by clients. Causes may include the impacts of the war in Ukraine, instability in the Middle East and changes in international trade policy, impacting UK businesses. Impact A reduction in the pipeline of available work, the pausing or cancellation of new or current projects, cost inflation driven by shortages in the supply of skilled labour, materials and products, and foreign exchange fluctuations.	Mitigation Mace Construct will sustainably diversify across new sectors and markets to strengthen resilience against market volatility. Efforts to increase market share were underpinned by consistently demonstrating industry-leading expertise, nurturing strong client relationships, leveraging a robust supply chain, and championing innovation. Client and supply chain contracts incorporate provisions to mitigate the impact of inflation. The business proactively manages logistics for materials and products, navigated foreign exchange fluctuations, and maintains rigorous oversight of supply chain performance.

Legal 5. Legal, regulatory and compliance	Risk trend  Risk owner Group Strategy Director
Definition Action taken against the business or its Directors because of a failure to put in place effective arrangements to mitigate the risk of breaches of relevant legislation, regulations, covenants or contract conditions. Impact Potential fines or custodial sentences for senior employees, reputational damage, prohibition from bidding for new work and potentially significant financial penalties.	Mitigation The business continues to strengthen its commitment to legal, regulatory and compliance excellence by ensuring all employees complete mandatory compliance training and by maintaining comprehensive policies with clear repercussions for non-compliance. Regular horizon-scanning exercises take place to anticipate and prepare for forthcoming legislative and regulatory changes. Building Safety Act compliance is driven through mandatory training, processes and policies to ensure colleagues meet legal competency standards. This is extended to the Construct supply chain using the Common Assessment Standard (CAS) and prequalification processes aligned to BSA competency pathways. Business leadership sustains its strong commitment to fostering an ethical culture, as demonstrated through the active promotion and adherence to a wide-ranging suite of corporate policies and formal delegations to committees and individuals.
Operational 6. IT security, resilience, cyber and data protection	Risk trend  Risk owner CIO
Definition A major business disruption to IT services because of a cyber security incident, IT failure or breach of data protection legislation, such as the UK's General Data Protection Regulation. Impact Major impact on the business' ability to work effectively for days or even weeks and on its reputation for competence. Disruption to projects or clients. Potentially significant fines because of a failure to comply with relevant legislation.	Mitigation In light of heightened high profile UK cyber threats throughout 2025, there is continued close out of legacy systems in the transition to advanced cloud-based technologies, ensuring timely deployment of security patches and system updates. The cyber security and data protection protocols, with continuous monitoring and rapid response capabilities address emerging risks in this space. All employees undergo rigorous security screening, with enhanced vetting for those working within secure environments. Continued ISO 27001 Information Management accreditation is further strengthened by implementing regular cyber resilience assessments and scenario-based testing to safeguard business continuity and client confidence in an increasingly challenging threat landscape.

Conduct 7. Fraud	Risk trend 
	Risk owner CFO
Definition There is fraud by an employee, joint venture partner, supplier or client because of individuals' behaviour, organisational culture or a failure to put in place or operate effective controls, systems or processes.	Mitigation Mace Construct aims to prevent all types of fraudulent behaviours with an effective financial control environment, including through the segregation of duties. Frequent reconciliation and analysis work is performed to identify potential issues. An independent whistleblowing line through which malpractice can be identified anonymously and a dedicated Compliance function and an internal audit and assurance function that, together, can identify and investigate areas of potential fraud risk. In light of the introduction by ECCTA of the new corporate criminal offence of failing to prevent fraud, a mandatory training package has been introduced, which all colleagues have been required to complete.
Impact Potential financial loss, criminal liability, reputational harm or breaches of obligations to a range of stakeholders including clients, shareholders, banks, insurers, sureties and auditors.	

Operational 8. Project delivery	Risk trend 
	Risk owner COO
Definition There is a threat that we do not meet contractual, legal or client expectations about the timing, cost, quality or safety requirements of a project because of poor contract selection; adverse bidding, contractual and commercial arrangements; not controlling the project or development effectively including the management of the supply chain. These causes may be exacerbated by political and macroeconomic risks.	Mitigation Early identification and proactive management of project delivery risks remain central to our approach. In 2025, the establishment of a new Tender Committee has further strengthened our project selection process, ensuring rigorous scrutiny of bids and alignment with market demands. Continued adherence to delivery playbooks focuses the business on selective bidding, commitment to realistic programmes and margins, and compliance with company golden rules, which set minimum acceptable commercial terms. Robust controls over mobilisation, design development, contract management, supply chain, quality management and service excellence activities are maintained. The Service Excellence and Quality process embedded across all projects is complemented by gateway reviews that identify and resolve issues at the earliest opportunity. Effective engagement with clients continues to mitigate the impact of delays and cost overruns. Active sharing of best practice and lessons learned is encouraged across teams. The business manages operational risks by minimising the effects of shortages in skilled labour through supply chain partners, material or product shortages and interruptions to global supply chains, and higher inflation or increases in staff and supply chain costs resulting from rises in raw material, product and energy prices.
Impact Significant financial losses, including breach of contract claims and liquidated damages from clients, and legal claims from the supply chain partners. Loss of reputation, making it harder to secure future work from new and existing clients. Costly and risky diversion of colleagues' time and the business' cash to deal with problems, including legal proceedings and liaison with insurers.	

Legal 9. Contract management	Risk trend  Risk owner Group Commercial Director
Definition An inability to win work either by negotiation or by competitive tender because of Mace Construct's approach to contractual conditions relative to the prevailing market norms. Impact Reduced revenue and profit, poor staff utilisation, which could affect colleagues' motivation and lead to redundancies, unmanaged staff attrition and the loss of vital skills and experience.	Mitigation The business units maintain a robust pipeline of opportunities, providing a strong foundation for future work. Strategic long-term business development planning continues to underpin our approach, with senior management conducting regular reviews of bidding processes to ensure our competitiveness in the market. Projects are priced to accurately reflect the associated risks and constraints, and we remain committed to selecting the most effective delivery methods. Our estimating processes for direct and indirect costs, as well as programme durations, are managed consistently and rigorously. We have diverse revenue streams, reducing our reliance on any single market. Ongoing investment in innovation and the cultivation of mature partnerships with key suppliers further strengthen our position. Active engagement with clients ensures that we fully understand and can meet their expectations, supporting our continued success in securing work through negotiation and competitive tender.
Operational 10. Third-party management	Risk trend  Risk owner Group Commercial Director
Definition A supply chain partner that has a significant role in the successful delivery of one or more projects collapses. Impact Potential project disruption, additional costs because of delivery delays, quality, warranty or cash flow issues, loss of secured income and reputational damage.	Mitigation Relationships with supply chain partners are proactively managed, enabling early identification and resolution of potential issues. Comprehensive due diligence and ongoing financial covenant checks are routinely conducted and updated to maintain robust oversight. Contractual arrangements are structured to clearly define risk accountability between parties, ensuring transparency and effective risk management. To prevent over-dependence on individual subcontractors, the organisation continues to diversify its supply chain, engaging a wide range of partners. Established processes enable leadership to monitor and respond promptly to emerging concerns regarding suppliers. Rigorous assessment of client creditworthiness and the consistent application of credit control procedures further safeguard project delivery and financial stability.

Operational 11. Innovation	Risk trend  Risk owner COO
Definition There is a failure to keep ahead of competitors in terms of innovation, operational efficiency and effectiveness, and a consequent failure to meet the demands of the market because of a lack of strategy, foresight and related investment. Impact A failure to win work and failure to be competitive, which may reduce profitability and cash generation.	Mitigation Strong strategic planning, investment in innovation and operational excellence foster a culture in which the identification, development of, and commitment to adopt innovative concepts and initiatives is prized. Innovation is funded appropriately and sustainably. Proactive engagement with clients and supply chain partners ensures we remain agile, competitive and able to anticipate and respond to evolving market demands. Targeted investment in digital capability, emerging technologies and continuous improvement further supports our ability to innovate at pace and maintain industry-leading performance.
Treasury/liquidity 12. Funding and liquidity	Risk trend  Risk owner CFO
Definition There is a risk that in the future the business is unable to maintain sufficient cash balances or secure adequate funding to meet operational liquidity needs because of market conditions or company performance, financial status or reputation. Impact A lack of funding could reduce the business' ability to meet its financial obligations as they fall due.	Mitigation Active cash flow and working capital management. Compliance with a range of financial covenants agreed with sureties. The development and execution of plans to achieve the business' financial resilience targets. A balanced approach to distributions. Consistent application of the business' commercial golden rules, which aim to reduce contract risk. Regular, consistent checking of client and supplier financial covenants.
Operational 13. Financial reporting	Risk trend  Risk owner CFO
Definition There is a risk that failures in financial control and reporting result in misstatements within financial statements or forecasts. Potential impact Misstating financial performance or status could result in a loss of value, breach of lender covenants, financial penalties and reputational harm. Misstating forecast information could reduce the quality of management's decision-making, resulting in a reduction in revenue, profitability or cash flow. Misstating forecasts can also result in errors in assessing potential asset impairments and going concern assessments and result in misstatements in the financial statements.	Mitigation Mace Construct continues to invest in strengthening financial controls and supporting finance teams with significant technical accounting expertise to ensure reporting remains aligned with developing standards appropriate for a business of our scale. We monitor the accuracy of our forecasting monthly and make adjustments as appropriate. There is a culture of consistent commitment to creating and maintaining high-quality financial records and data, structured and stored in strict accordance with a clear chart of accounts and monitored through data-quality analysis and controls testing. Continued investment in an enterprise-class Oracle system enhances coherence, integrity and control across our financial processes and reporting, while ongoing enhancements to internal audit, assurance, risk management and compliance capabilities further reinforce the robustness and reliability of financial reporting.



BUSINESS PERFORMANCE



Timber Square
London – UK



The construction industry plays an important role in the world's most urgent challenges – climate resilience, energy transition and the creation of safe, thriving communities.

We have always taken that role seriously and as a newly independent UK construction company with an increased focus on delivery, our responsibility becomes more important than ever. Our Environmental, Social and Governance (ESG) strategy is at the core of our mission, guiding us to create lasting value with integrity and care. We now have the opportunity to reset that strategy for the future and by embedding environmental performance, social value and strong governance into every project, take a lead role in helping our industry not only meet its responsibilities but to shape the future of the built environment through driving investment, reducing risk and strengthening resilience.

Since 2019, we've published our ESG performance, detailing progress towards our bold targets and KPIs. We share our strategies, performance, actions and learnings publicly to inspire change. We look at every part of our sphere of influence to identify opportunities that impact more than just our business, and which make a valuable contribution to society.

In this way, the true measure of our value goes beyond revenue and profit. It is embodied in the opportunities we cultivate for our colleagues, the industry and the communities we serve. Our ESG strategy allows us to attract and retain the best people, proactively champions individuality, celebrates diversity and offers roles on projects that are built on a foundation of social value and community impact.

As we grow, our ESG strategy is designed to guide our business decisions, to challenge us to be more sustainable, share learning and adopt the highest standards of governance. It ensures we set bold targets that are measured and governed thoroughly and professionally. And it inspires change through transparency, accountability and a commitment to creating lasting value with integrity and care.



ESG – ENVIRONMENTAL

As the climate crisis intensifies and regulatory scrutiny sharpens, the built environment faces a stark choice: adapt, or risk asset obsolescence. The importance of focusing on sustainable outcomes for the built environment has never been more critical. From tackling rising energy costs, to green spaces and healthier buildings that promote better occupant experiences, the demand for resilient and efficient built assets is paramount.

Target:

10% corporate carbon reduced year-on-year

Performance:

-61% decrease

* The 10% carbon reduction target will be replaced by SBTi in 2026. The remaining targets are under review in 2026 to reflect the change in business focus as a result of the demerger of Mace Consult.

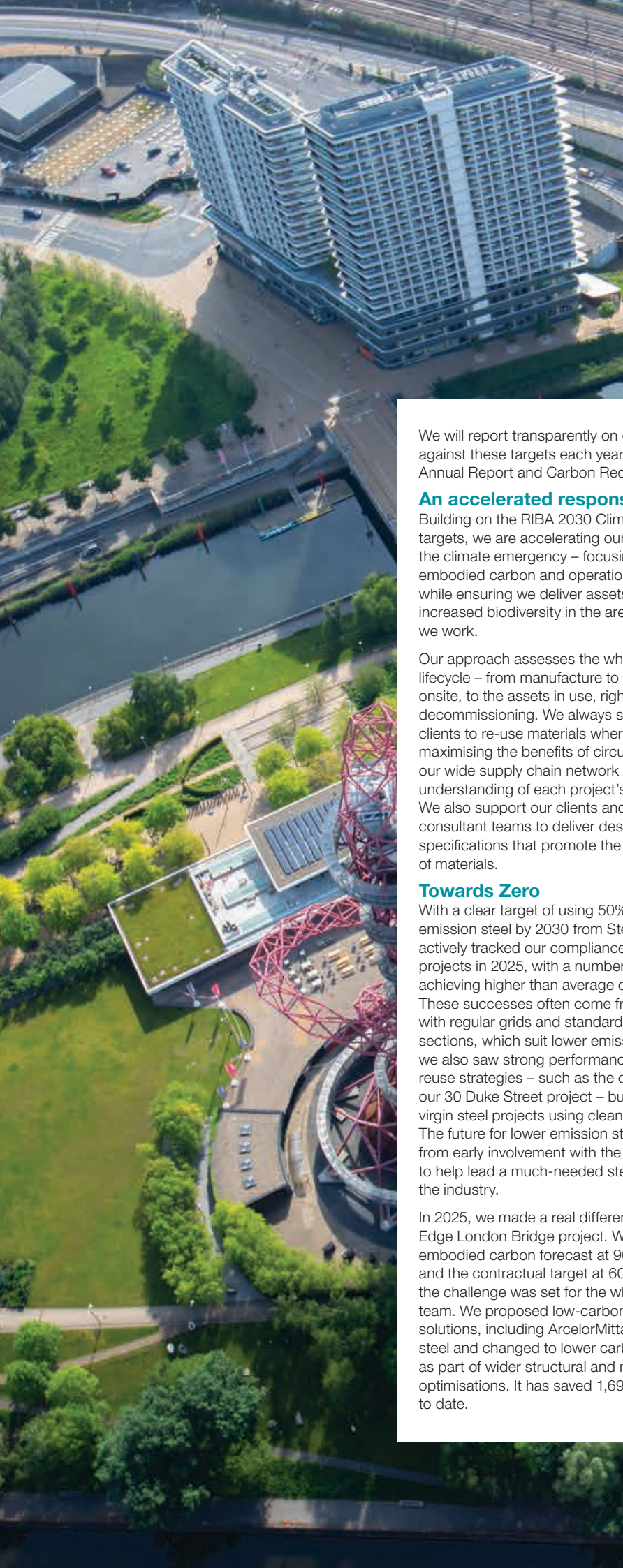
Being part of the solution is not just about compliance. It's about futureproofing. It's about creating places that are not only environmentally sound but commercially resilient. We are harnessing our unique capabilities to explore, to discover, to action new ways to build a more sustainable future for everyone. Sustainable design, efficient resource management, advanced technology, net zero targets – we believe we have a responsibility to spearhead positive change. As founding members of CO₂nstructZero, SteelZero and ConcreteZero, we advocate for more responsible procurement on key building components and seek to support our partners and clients to implement best practice throughout our global hubs.

In 2025 we commenced our application for validation of our carbon targets by the Science-Based Target initiative (SBTi) allowing us to take a major step forward in adhering to science-based principles and in taking ownership of our clients' environmental impact. Going forward this will enable us to strengthen our supply chain engagement on Scope 3 emissions and work from a credible baseline as we continue to decarbonise.

The Science Based Targets initiative (SBTi) has now officially validated our science-based emissions reduction targets and 2024 baseline data. From 2027 onwards we have committed to reduce absolute Scope 1 and 2 emissions by 63% by 2035, reduce absolute Scope 3 emissions by 37.5% by 2035, and achieve a 90% reduction across Scopes 1, 2 and 3 by 2045. Independent validation by the SBTi will provide assurance that our targets are robust, credible and consistent with the level of action required to limit global warming to 1.5°C.



Queen Elizabeth Park
London – UK



We will report transparently on our progress against these targets each year through our Annual Report and Carbon Reduction Plan.

An accelerated response

Building on the RIBA 2030 Climate Challenge targets, we are accelerating our response to the climate emergency – focusing on both embodied carbon and operational energy – while ensuring we deliver assets that promote increased biodiversity in the areas where we work.

Our approach assesses the whole carbon lifecycle – from manufacture to delivery onsite, to the assets in use, right through to decommissioning. We always support our clients to re-use materials wherever possible, maximising the benefits of circularity through our wide supply chain network and detailed understanding of each project's requirements. We also support our clients and their consultant teams to deliver designs and specifications that promote the future re-use of materials.

Towards Zero

With a clear target of using 50% lower emission steel by 2030 from SteelZero, we actively tracked our compliance across our projects in 2025, with a number of projects achieving higher than average compliance. These successes often come from projects with regular grids and standard rolled sections, which suit lower emission steel, but we also saw strong performance not just from reuse strategies – such as the one used on our 30 Duke Street project – but also from virgin steel projects using cleaner sources. The future for lower emission steel comes from early involvement with the right projects to help lead a much-needed step change for the industry.

In 2025, we made a real difference at our Edge London Bridge project. With initial embodied carbon forecast at 908 kgCO₂/m², and the contractual target at 600 kgCO₂/m², the challenge was set for the whole project team. We proposed low-carbon-steel solutions, including ArcelorMittal's XCarb steel and changed to lower carbon concrete as part of wider structural and material optimisations. It has saved 1,695 tCO₂e to date.

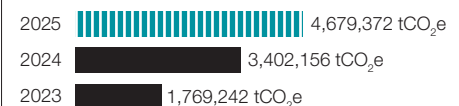
Target:

10m tonnes of client carbon savings projected through pipeline work by 2026 (annual cumulative total)

Performance:

Savings of:

4,679,372 tCO₂e



Target:

Eliminate diesel on all sites by 2026 (vs 2019 baseline)

Performance:

96%

reduction in diesel use



Target:

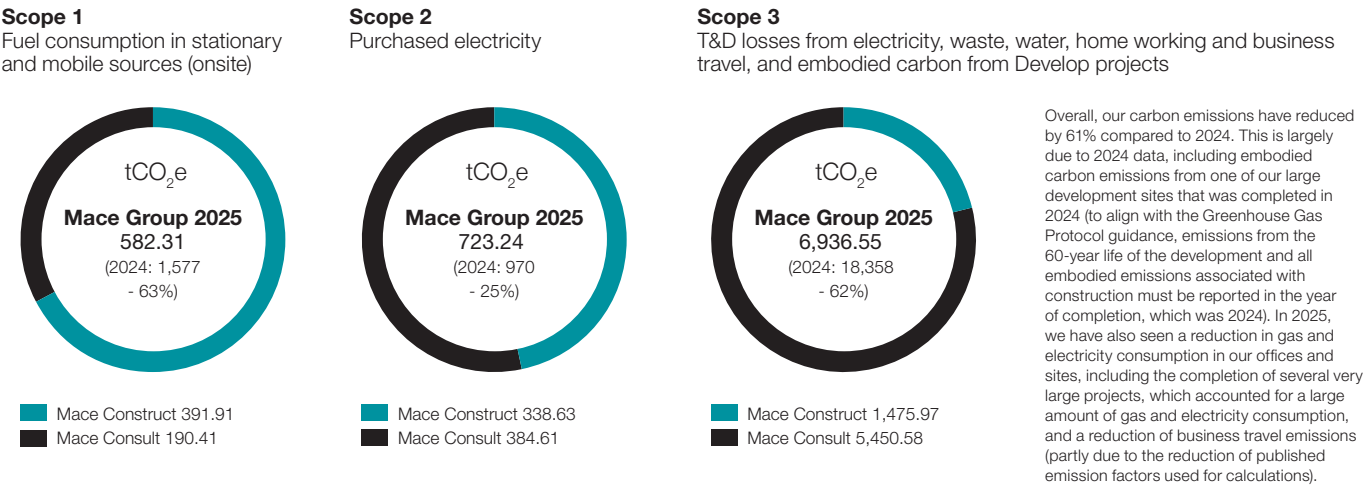
Procure 100% of our timber from responsible sources

Performance:

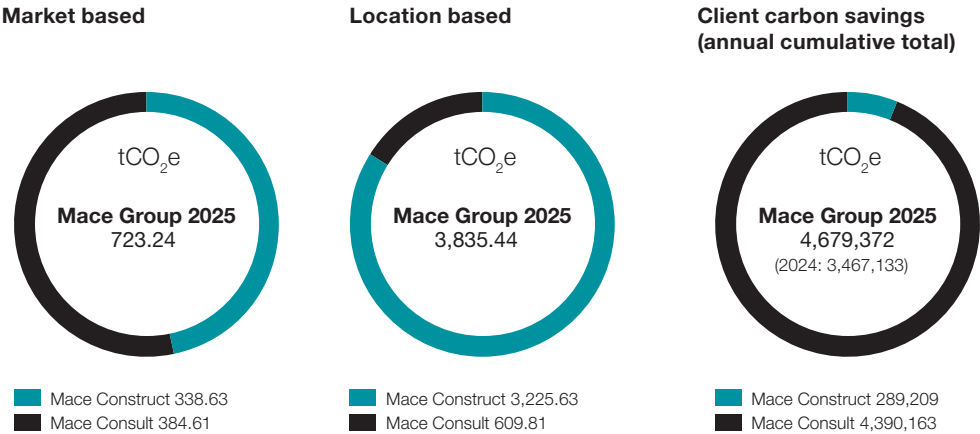
100%



2025 CARBON EMISSIONS



2025 ELECTRICITY



Insights. Support. Transparency.
With the built environment still accounting for 40% of global emissions, we know there is still a lot of work to do. In 2025 we took time to ask industry leaders about their needs and challenges. We conducted a global survey of 4,000 portfolio and asset managers across the UK, USA, UAE and Hong Kong to understand the barriers they are experiencing to sustainable implementation. The response was that 80% of asset managers are struggling to implement sustainability or decarbonisation strategies, they feel data and AI are the key investment area to drive sustainable portfolios, and that not enough is currently being done to consider the expectations of building occupants and end users.

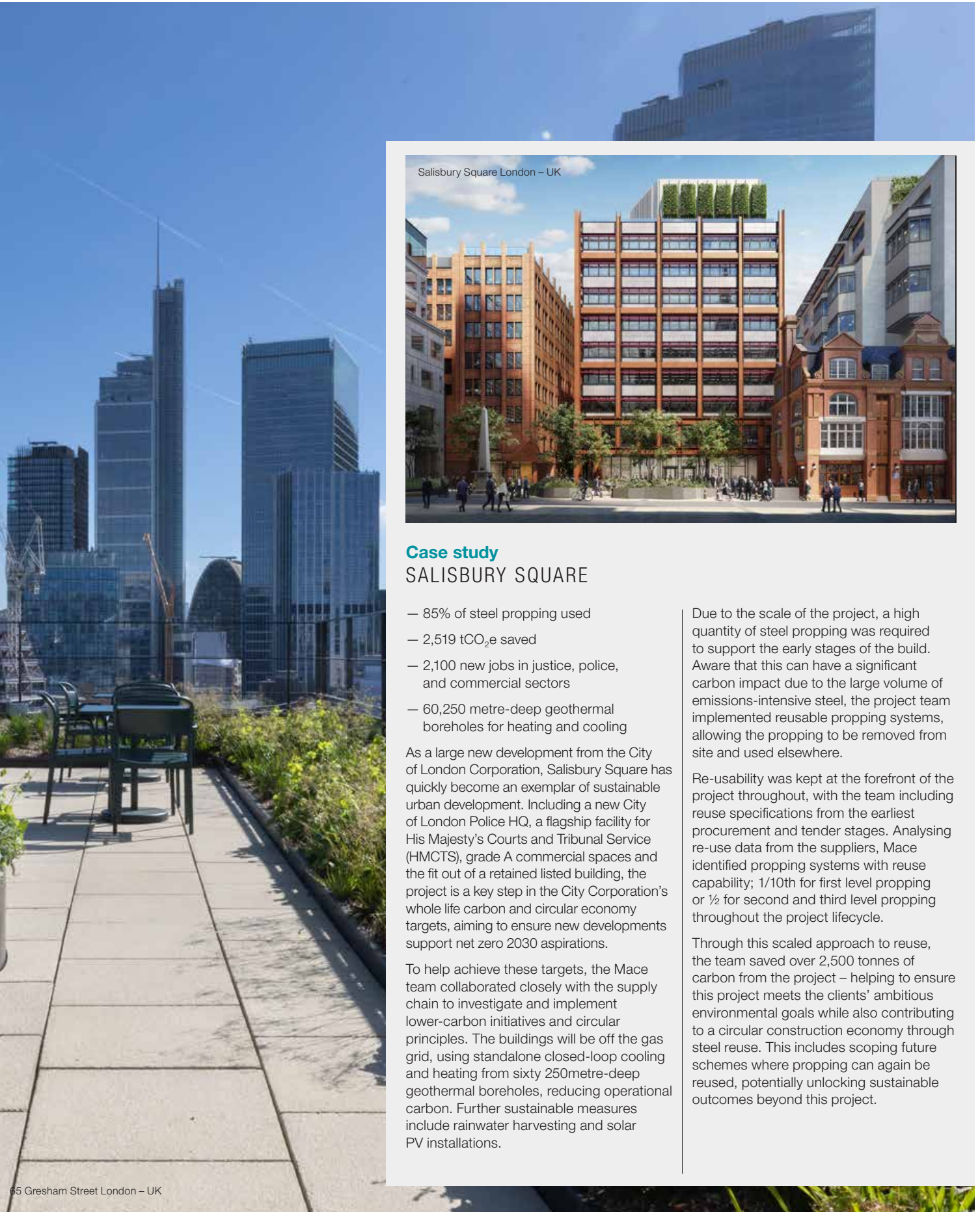
The challenge is clear and so is our response. Our clients need insights, support and transparency from us. Insights into the challenges they face, support with repurposing ageing assets, and transparency and collaboration to improve their environmental performance.

Leading standards
In 2024, Mace Group became PAS 2080 certified and in 2025 Mace Construct re-certified to this standard– the leading standard for carbon management in buildings and infrastructure – making us one of the few UK Tier One contractors to have achieved this accreditation to date.

PAS 2080 sets out a collaborative framework, requiring all stakeholders in the supply chain to address whole life carbon by integrating carbon impact into early decision-making, viewing assets within a broader system, and applying best practices from procurement to project completion. Projects are expected to consider carbon in their decision-making, identifying opportunities to reduce carbon through avoiding emissions designing out carbon, switching products or improving process. This approach applies to both embodied and operational carbon opportunities.

We also continued our support of the UK Net Zero Carbon Building Standard (UKNZCBS) which champions the need for a clear unified standard to ratify net zero assets. Five of our projects formed part of a pilot programme for implementing the UKNZCBS on sites, from retrofits to new builds, providing useful feedback for the development of the standard. Continuing to contribute to efforts to create common understanding around carbon measurement is a major step in fostering collective action.

All Mace Group companies that supply materials are accredited to the BES 6001 Framework for Responsible Sourcing, as are the majority of our supply chain, and we are supporting them to help their own suppliers become accredited as well.



Salisbury Square London – UK

Case study

SALISBURY SQUARE

- 85% of steel propping used
- 2,519 tCO₂e saved
- 2,100 new jobs in justice, police, and commercial sectors
- 60,250 metre-deep geothermal boreholes for heating and cooling

As a large new development from the City of London Corporation, Salisbury Square has quickly become an exemplar of sustainable urban development. Including a new City of London Police HQ, a flagship facility for His Majesty's Courts and Tribunal Service (HMCTS), grade A commercial spaces and the fit out of a retained listed building, the project is a key step in the City Corporation's whole life carbon and circular economy targets, aiming to ensure new developments support net zero 2030 aspirations.

To help achieve these targets, the Mace team collaborated closely with the supply chain to investigate and implement lower-carbon initiatives and circular principles. The buildings will be off the gas grid, using standalone closed-loop cooling and heating from sixty 250metre-deep geothermal boreholes, reducing operational carbon. Further sustainable measures include rainwater harvesting and solar PV installations.

Due to the scale of the project, a high quantity of steel propping was required to support the early stages of the build. Aware that this can have a significant carbon impact due to the large volume of emissions-intensive steel, the project team implemented reusable propping systems, allowing the propping to be removed from site and used elsewhere.

Re-usability was kept at the forefront of the project throughout, with the team including reuse specifications from the earliest procurement and tender stages. Analysing re-use data from the suppliers, Mace identified propping systems with reuse capability; 1/10th for first level propping or ½ for second and third level propping throughout the project lifecycle.

Through this scaled approach to reuse, the team saved over 2,500 tonnes of carbon from the project – helping to ensure this project meets the clients' ambitious environmental goals while also contributing to a circular construction economy through steel reuse. This includes scoping future schemes where propping can again be reused, potentially unlocking sustainable outcomes beyond this project.

Circular economy leadership

In recent years, we have been at the forefront of promoting circularity within the construction industry, emphasising the need to transition from a linear economic model to a circular one. Building on this foundation, we continued to refine our circular construction principles in 2025 by turning our attention to the life sciences sector, exploring how circularity can be integrated into the design, construction and operation of life science facilities.

The UK's life sciences sector has experienced remarkable growth in recent years, driven by rapid scientific innovation, increased investment and an enhanced societal recognition of its vital role. We know this sector well. We've witnessed first-hand how its facilities have evolved – becoming more complex, specialised and critical to public health and scientific progress. We understand the unique complexities life sciences facilities face – from strict regulatory compliance and cleanliness standards, to evolving technological demands.

Successful implementation of circular principles in life sciences facilities requires a comprehensive approach that begins at the earliest stages of project planning. Our active participation in organisations such as I2SL (International Institute for Sustainable Laboratories) demonstrates our commitment to advancing sustainable practices in life sciences construction. These partnerships facilitate knowledge sharing and best practice development across the industry. Through collaborative research and pilot projects, we're helping to establish new standards for circular construction specific to the life sciences sector.

The implementation of circular principles in specialist scientific services has delivered compelling economic benefits alongside environmental improvements.

Facilities can typically report 25-40% reduction in operational costs and 30-50% reduction in resource consumption dependent upon the application. Perhaps more importantly, these systems have reduced supply chain dependencies and enhanced resilience against supply shortages and price fluctuations.

Case study

30 DUKE STREET, ST JAMES'S (FOR GPE)

- 744 tCO₂e saved from reclaimed structural steel
- Largest commercial steel re-use project in the UK
- First commercial development in the UK using Hydro CIRCAL 100R
- First commercial development in London using Orae glass
- Shortlisted for National Recycling Award – Circular Economy and Re-use category
- 100% of existing marble re-used
- 12 tonnes of glass was recycled during demolition works
- 3.6 tonnes of granite recycled during demolition

With more than three-quarters of its structural frame being reclaimed steelwork, 30 Duke Street St James is the largest steel reuse project for a commercial office in the UK to date and has achieved an impressive, embodied carbon saving of 744t CO₂e.

Of the 77% reclaimed steel used, 67% or 375 tonnes was sourced from the demolition of City Place House, another London scheme within the developer's portfolio. But steelwork is not the only reused material on the project. There is also a significant quantity of reclaimed aluminium as well as Portland stone, which will be used on the building's façade. Added to this circular economy, the scheme is one of the first projects to make use of a materials passport, which means it has been designed as a storage bank holding materials for future reuse and recovery.



30 Duke Street, St James's
London – UK



A sustainable future

It's clear that artificial intelligence will be one of the driving forces of a sustainable built environment and it is no surprise that data centres are the first market to start to harness that power while also setting the tone for the wider sector in terms of energy efficiency, resilience and low carbon supporting high intensity computing in a sustainable way. In 2025, the Construct business entered a strategic partnership with clean-infrastructure developer and investor Pathfinder Clean Energy Limited (PACE) ready to develop the next generation of renewable powered data centres in 2026 and beyond.

Using decades of experience in delivering some of the biggest and most complex data centres in Europe, Mace Construct will provide strategic design and delivery advice on new, strategically located data centre sites in the UK, working in partnership with PACE from early in the data centre development cycle and alongside the construction of energy assets. Once built, the facilities will be powered through 'direct wire' renewable generation and energy storage from the outset, creating the foundation for scalable, energy-backed digital infrastructure.

Biodiversity

The built environment is a crucial player in preserving habitats, with the ability to support biodiversity gain delivered as part of our clients' nature positive journey. The industry must prove that it is taking the right initiatives through planning stages and delivering projects and programmes that connect communities to the natural world.

In 2023, we set a corporate ambition to deliver 500 hectares of biodiversity creation by 2026. During the year, we undertook a detailed review of the assumptions underpinning this target in light of changes to our operating model and the evolving regulatory context. As a business without land holdings and particularly following the scaling back of Group development activities. Mace does not have direct control over land use and therefore cannot independently deliver large-scale biodiversity creation at corporate level.

In parallel, the introduction of mandatory Biodiversity Net Gain (BNG) legislation in the UK has fundamentally changed how biodiversity outcomes are delivered on our projects, requiring a minimum 10% improvement in biodiversity at project completion and enabling project teams to drive habitat creation and enhancement more directly. Taken together, these factors reduced the need for centrally driven biodiversity interventions and led us to recalculate our corporate target to 250 hectares by 2026, a level we consider robust, realistic and appropriate to our sphere of influence. We have already delivered 224.3 hectares towards this revised goal.

Target:
250 hectares of biodiversity gain by 2026 (annual cumulative total)

Performance:

224ha



In 2025 we delivered 21.22 hectares of biodiversity thanks to our people who worked hard to enhance local ecosystems. This included the rehabilitation of Fobbing Marsh with the Essex Wildlife Trust, an ongoing project which has seen the rehabilitation of drainage channels to improve water retention and enhance the habitat for local wildlife and support for the Colne Valley Regional Park helping to open up large sections of Denham wood to more natural light which will help native species to thrive.

These partnerships and collaborative efforts are at the heart of our biodiversity efforts. One of our most enduring is with the Lancashire Wildlife Trust. Since 2022 we have provided funding, expertise on nature-based solutions and volunteers on a number of biodiversity projects. Mace Construct will continue this partnership into 2026, and with a target of 157 hectares to reach, we are proud that we will continue making an impact together while promoting biodiversity recovery to create a more sustainable world.

Salisbury Square London – UK



Colleague mental wellbeing (2024: 69%)	78%
Line manager index score (2024: 74%)	75%
Gender diversity at AD level and above (2024: 19.3%)	20.7%
Ethnic diversity at AD level and above (2024: 9.1%)	10.3%

ESG – SOCIAL

2025 has been a year of transition for our business. The carve-out of Mace Consult is a positive change but it has required great resilience, commitment and flexibility from our people

The remarkable contribution and efforts of our colleagues during this time cannot be overstated. In return, we've worked hard to maintain high levels of support for our people. As we navigated this period of change, our aim has been to engage and support our colleagues and to make the transition as smooth as possible for everyone.

We're proud that during this period of significant change, our people have remained committed to shaping the built environment in partnership with the communities our work impacts, and to leaving these communities stronger, with more opportunities. That's why the value we generate isn't recognised purely through revenue and profit, but through the opportunities we create, and the legacy we leave behind for our own people, our industry and the communities we work in. This year, that has been more important than ever.

Mace Construct's strategy is to employ, retain and train the very best talent the construction industry has to offer – building loyalty, reducing attrition and investing in people to ensure that we have the right workforce to support our ambitious plans for the future.





Creating opportunities

We understand that our industry needs a strong pipeline of new entrants to ensure continuity and long-term resilience, and that we have a responsibility to help recruit the next generation of professionals from all social backgrounds. For the fifth year, we were included in the Top 75 UK Social Mobility Employer Index for 2025, ranking at 22nd in this year's list. This assessment provides us with insightful data while also ensuring a more skilled and productive workforce. 2025 also saw us entering our fifth year partnering with the 10,000 Black Interns scheme, which offers paid internships and mentorship to Black students and graduates. These initiatives go a long way towards helping us achieve our ambition to be the most inclusive employer in our industry.

During Open Doors week in 2025, Mace Construct also hosted visits on seven sites, providing over 300 students and community members with insights into the construction industry and diverse career opportunities. The initiative, supported by [Build UK](#) in partnership with CITB and CSCS, allowed participants to see classroom concepts in action and to interact with industry professionals, gaining valuable real-world context and inspiration.

In 2025 we continued to develop new capabilities, equipping our graduates and apprentices with the skills to help them excel in the future. At the end of the year, those efforts were rewarded at the annual Mace Emerging Talent Awards, attended by apprentices, graduates, members of our Executive Board, and colleagues from across the business who champion and support Emerging Talent at Mace. The evening spotlighted the outstanding achievements of colleagues across our development programmes.

Inclusive leaders are the key to changing the way we do things and inspiring others as collaborators, contributors and champions. Over the past year, we have continued to expand our training and development offer for line managers and leaders, including mental health awareness, managing high-performing teams sustainably, sickness absence management and supporting neurodiverse colleagues. These programmes are complemented by access to ad-hoc mental health and neurodiversity coaching, as well as our global Employee Assistance Programme, providing 24/7 support for colleagues and their families.

Together, these initiatives reflect our commitment to moving from reactive support towards prevention, early intervention and consistent leadership practice, embedded in how we work day-to-day.

This support also extends to our Executive community, with monthly leadership briefings and an Enterprise Leaders Community Hub designed to provide easy access to learning resources, thought leadership and performance data, and to foster collaboration.

Fostering learning and collaboration has been a key theme for 2025. The theme for our annual Learning at Mace Week was ‘Connect and Learn’. It focused on creating an environment in which continuous learning is a natural part of daily work through connections with colleagues and active sharing of knowledge, skills and experiences.

Embracing new ideas and connections in this way allows our colleagues to contribute to a more dynamic and innovative learning community. We want this community to also have access to the smartest tools and insights that they need. So, in 2025 we took our first step towards using AI at scale across Mace by activating 1,000 licences for Microsoft 365 Copilot. We recognise that AI is part of the future, and we are committed to Mace being at the forefront of our industry in its adoption. The licences mark the start of our partnership with Microsoft on AI, and we will be making further investments in AI across the business.

Gender pay gap reduction (Mean) (2024: 24.8%)	23.0% Mean improvement of 1.8%
Ethnicity pay gap reduction (Mean) (2024: 24%)	23.4% Mean improvement of 0.6%
AFR (2024: 0.04)	0.033
Community investment (2024: £7.8m)	£2.5m
Value to society (2024: £933m)	£983m
Supply chain prompt payment (2024: 99%)	96% (of invoices paid within 60 days)

Reward and recognition

We use reward and recognition to drive success and maintain a culture of appreciation and excellence. When our people thrive, so does our business. We understand that our people have different priorities and needs. That’s why we offer diverse benefits as part of our total reward package. This provides everything from health and wellbeing to finances and lifestyle. Our Total Rewards Portal, MyChoices, helps colleagues access and understand information about all of the rewards offered by Mace.

Our Career Framework, which was launched in 2024, was fully embedded in 2025. We introduced rigorous benchmarking and moderation processes to ensure that role expectations reflect the wider market and give us confidence to set quality standards in terms of rewards and recognition. It is very important to us to operate in an open and transparent way and to make the decisions on promotions, learning and development and remuneration consistently. The result in 2025 is a career structure that’s competitive and credible. People trust it, managers apply it consistently and progression feels transparent and attainable.

Mace Limited is committed to paying the Real Living Wage to all its employees, recognising that it is a voluntary rate calculated by the Living Wage Foundation based on real household costs such as rent, food and energy. The Real Living Wage for London is set at a higher level to reflect the city’s increased cost of living. In addition, we structure salary levels so that all employees — including graduates and apprentices — can make their full pension contributions without their net income falling below the National Living Wage.”

Health, safety and wellbeing

In 2025 our AFR decreased to 0.033 from 0.036, our Lost Time Injury Frequency Rate decreased from 0.113 to 0.098 and our All-Injury Frequency Rate concluded at 0.342. Our Occupation Health Inspections increased by 275%, our Safety Observations increased by 9% and safety actions decreased by 1%. Safety Audits increased by 26% on 2024 and Safety Inspections increased by 35% on previous year.

In 2024 we launched our new HSW brand worldwide, making HSW more accessible and effortlessly understood across all our operations. In 2025 we built on this success, promoting consolidation and collaboration, refining knowledge sharing and advancing our use of technology and digitalisation. We strengthened our supply chain’s position on occupational health through the launch of our Health Surveillance Standard, mandated the use of anti-entrapment technology to address one of the key fatal risks in construction and introduced strategic forums, further demonstrating our commitment to visible leadership, fostering a collaborative and safe working environment.

However, despite this progress, 2025 was marked by a profound loss. In August, we were informed that a contractor’s employee working on one of our London sites had been fatally injured. We continue to extend our deepest sympathies to family and colleagues, and we remain fully committed to learning from this incident and strengthening our approach to preventing harm across all our operations. In the short term, our response was to extend support to everyone impacted by the incident and to work with the emergency services and Health and Safety Executive (HSE) with their investigation.

Our Construct sites immediately took time to review safe systems of work and over the rest of the year, we implemented a 'Review, Reflect, Refresh' campaign where all projects held site-wide stand-downs to reflect, reset and refocus on current and forthcoming work activities.

Thriving at work

At Mace, we recognise that long-term performance, resilience and reputation are shaped by the experience we create for our people. In 2025, particularly through the sustained period of organisational change, we have taken a deliberate, evidence-based approach to strengthening the conditions that enable our colleagues to thrive at work.

This work has always been intended as strategic and long-term, recognising that culture, wellbeing and engagement are not static outcomes but require continuous reflection, learning and adaptation.

Our approach is not about standalone initiatives or one-off interventions, but about how we do business, how we design work, lead people, listen, learn and continuously improve the colleague experience to attract, retain and enable diverse talent to perform at their best.

Our approach is grounded in the World Health Organization's framework for mental health and wellbeing at work, which emphasises the importance of preventing harm, protecting and promoting wellbeing, and supporting recovery. This globally recognised model has informed how we design, sequence and evaluate our activity across the Group.

A key area of focus for us has been sickness absence, particularly mental health-related absence. Our approach goes beyond absence management alone and focuses on three interconnected priorities: keeping people well in work, identifying and addressing issues early, and supporting sustainable and successful returns to work.

To support this, we invested significantly in strengthening our health management and disability pathways. This includes the development of structured entry pathways for our emerging talent population, ensuring graduates and apprentices have early access to guidance, workplace adjustments and appropriate support on joining the business. Line managers supporting these colleagues have been equipped with training and resources to understand their responsibilities and confidently meet individual needs.

We also introduced a comprehensive disability and health management content library to support colleagues, line managers and leaders, alongside updated workplace adjustments policies and clearer occupational health pathways. A strong emphasis has been placed on neurodiversity, with targeted education, updated guidance and specialist coaching support helping to build understanding, reduce barriers and create more inclusive working environments.



Every voice matters

Our ED&I strategy supports us to ensure our colleagues' voices are valued and heard. Our approach to employee surveys ensures that everyone's voice is heard and valued, creating a collaborative environment where feedback leads to tangible actions, demonstrating our commitment to continuous improvement and ultimately to positive experiences of working at Mace.

In 2025 we achieved an impressive participation rate of 75%, which equates to over five thousand colleagues sharing their perspectives. In terms of inclusion, 83% of colleagues responded that they feel able to be themselves at work with 74% responding that they enjoy their job and find it satisfying, and 89% feeling that they make a valuable contribution and are committed to job goals.

A key focus and priority for us has been on measuring colleague wellbeing and driving meaningful action to improve our mental wellbeing and positive emotions score. 69% of colleagues reported that they experience positive emotions and a sense of purpose, with a five-point increase since February 2024. To support our people further, we also introduced our first global Employee Assistance Programme (EAP), providing colleagues worldwide, and their families, with access to 24/7 telephone support services as well as a range of toolkits and resources to support their total wellbeing. Additionally, this benefit offers dedicated support for line managers, providing expert advice on how best to build and lead thriving teams.

Inclusion

We published our Inclusion Pay Gap data for 2024/25 six months in advance of the UK statutory reporting deadline to help us understand performance better and drive change faster. For the first time the report included voluntary reporting on disability pay gaps alongside gender and ethnicity, reinforcing our commitment to transparency and inclusion for all colleagues.

The median gender pay gap currently stands at 25.4%, marking a notable improvement from 40% in 2020. Female representation has increased across the business to 34.4%, including 17% in the top pay quartile. Our median ethnicity pay gap has reduced to 22.2% from 27.7% in 2020. These improvements reflect the positive impact of our continued commitment to diversity and inclusion, with more women and colleagues from various backgrounds represented throughout our workforce. The progress is reflected in the encouraging feedback from our people: 89% report feeling respected by their manager, and 80% feel able to be themselves at work.

For the first time, we reported on disability pay gaps which showed that the median gap is 12.2%, with 4.2% known disability representation in the business. This result means we have a clearer benchmark to build on. These results show that our inclusion efforts are working, but there is still work to do. From launching global wellbeing support to deepening our understanding of employee experiences, we're taking action to create a workplace where everyone can thrive.

The launching of our Pay Gap data coincided with our annual Mace Inclusion Week. In 2025, the week's activities were designed to help colleagues explore, connect and celebrate our diverse cultures.

Fostering a culture of psychological safety has been another focus, with our Construct Diversity and Inclusion Steering Committee launching the 'We are Construct' workshop series. Through open dialogue and engaging activities, colleagues explored workplace behaviours and culture, with 70% rating the sessions as 'very impactful' – a testament to the power of safe spaces and honest conversation. In response to new UK legislation, we have increased our efforts around raising awareness and strengthening the prevention of harassment. Visible communications and signage now reinforce our collective commitment that harassment of any kind has no place in our organisation.

Our partnership with Inpulse has elevated our approach to employee listening at Mace, deepening our understanding of how our people feel and why. Leaders now have quicker access to survey results and richer insights to help them identify trends, focus areas and create targeted action plans. Where sufficient data is available, we can explore experiences across specific inclusion demographics such as gender, ethnicity, age and disability status. This enables us to tailor our interventions more precisely, ensuring that support strategies are responsive to the unique needs of these groups.

We continue to strengthen our commitment to disability inclusion, with a particular focus on neurodiversity. Over the past year, we've delivered targeted awareness sessions, specialist coaching for individuals and line managers, and enhanced our workplace adjustments and health management pathways to include tailored assessments and support. These initiatives aim to build understanding, reduce barriers and create a more inclusive environment where all colleagues can thrive.

Case study

PRIDE MONTH INSTALLATION

During Pride Month 2025 we unveiled our 'Stronger Together' installation. Created by our Pride at Mace Employee Resource Group, the jigsaw puzzle symbolises unity, resilience, and inclusion across the company. The event was attended by Kate Osborne MP, who has been a champion of LGBTQ+ rights in the UK.

At the heart of the installation is a 2.4m x 2.4m jigsaw puzzle composed of numerous interlocking pieces. Each piece carries meaning: when fitted together, they form a cohesive image symbolising strength in unity. The theme 'Stronger Together' highlights collective empowerment – the idea that when every piece comes together, the whole community is stronger. The installation is a call to action – a visible reminder that by uniting, we can fill the gaps where inclusion is missing. This year's installation wasn't confined to one location. Smaller versions of the Pride puzzle have been produced for about ten Mace offices worldwide.



Giving back

Since 2012, the Mace Foundation has strengthened its ability to give back, to invest in and support local people and the communities in which we work, and to make positive, sustainable contributions that make a lasting difference. Each year, we give 1% of our pre-tax profits to these communities. Together, with our people, we have donated £10m since 2012 to charitable causes around the world, creating an incredible £52m of social value.

In 2025 the Foundation made an tremendous impact, donating more than £940,000 to charities worldwide. Mace colleagues also raised more than £236,000, far exceeding the £205,000 target, supporting 160 charities of their choice through our match funding programme.

Over £1m of social value was also created by the Mace Foundation in 2025 by awarding nine grants focused on helping disadvantaged young people around the world into education and employment:

— **Beyond Food Foundation – Helping vulnerable young people restart their lives.**

We're supporting 20 young people to take charge of their lives through the FreshLife programme; helping them rewrite their story, unlock their potential, and shape a brighter future. The programme equips them with tools for employability, self-awareness, and wellbeing.

— **ChildHope Philippines – Changing lives – one child at a time.**

Through the STEP Program, we're providing education, health care and life skills training to 100 children aged 7–17 living in street situations in Metro Manila, Philippines. Beyond care, we're building futures: 30 young people will receive livelihood and vocational training, equipping them with tools to break the cycle of poverty and thrive.

— **Friends of Dagoretti Children – Unlocking potential and creating lasting change.**

We're equipping 50+ young people aged 17–25 in Nairobi with mental health support and business training; empowering them to heal, grow and build sustainable futures.



— **Home-Start – Laying the foundation for brighter futures.**

Through Big Hopes, Big Future, we're supporting 42 disadvantaged children aged 2–5 and their families with the tools they need to be ready for school. Children who start school unprepared are nearly three times more likely to become NEET (Not in Education, Employment, or Training) by age 16–17.

— **Funacion Iter – Building brighter futures in Madrid.**

Through the IterPath project, we're supporting 140 at-risk young people aged 18–24 with training, internships and career guidance; opening doors to employment and education.

— **Kely Support Group – Building a stronger, more resilient generation**

Through KELY's Talk2Me Programme, we're reaching 400 students aged 14–18 in Hong Kong with peer support and life skills training, helping them navigate challenges and build resilience. We're also training 100 peer supporters to become mental health champions, creating a ripple effect of care and connection across schools and communities.

— **Operation Smile – Empowering futures and transforming lives**

We're providing 55 free reconstructive surgeries across the UAE, Africa, and India, helping children gain confidence, dignity and access to education. These surgeries don't just treat cleft conditions, they open doors to brighter futures.

— **Positive Futures – Helping young lives get back on track**

We're delivering 400 hours of targeted mentoring to 20 young people aged 8–24 facing Adverse Childhood Experiences, helping them re-engage with education and prepare for employment. This is more than mentoring, it's a lifeline to stability, confidence and a brighter future.

— **Youth Without Shelter – Building pathways to opportunity in Toronto, Canada.**

We're supporting 100 young people aged 16–24 with skills training, mentoring and essential resources to help them overcome barriers and secure meaningful employment. Because every young person deserves a fair shot at success.

In January 2025, the Mace Foundation announced a new charity partnership for the next five years with Become, the national charity supporting every child and young person with experience of the care system. With a goal to raise £1m through donations, industry partnerships and fundraising, the Foundation aims to fund Become's national programme, Propel into Work, to help young people achieve their career goals while also supporting Become's core work and other campaigns, including #EndTheCareCliff. The partnership will also build on Mace's commitment to the Care Leavers Covenant in the UK and our mentoring scheme, pairing colleagues with young people aged 18-25 from care backgrounds.

By the end of 2025, £190,637 had been raised and donated by Mace colleagues directly helping 1,589 care-experienced young people – and thousands more through Become's vital services. But the work this year wasn't just about fundraising, it's also raised awareness of the care system, helped take the #GoneTooFar petition to 10 Downing Street, and shared colleagues' stories to break down stereotypes and inspire young people.

“We are so grateful to have begun our five-year partnership with Mace, who show a strong commitment to championing the care-experienced community. It's already having a huge impact on our work with care-experienced young people. This year, we've been able to support even more young people thanks to impressive fundraising by the Mace team and across its supply chain. Their brilliant efforts also mean we can help young people towards rewarding employment, by funding our Propel into Work programme. Together, Mace and Become will be there for care-experienced children and young people to fight alongside them for a better care system.”

Anela Anwar, Become Chief Executive





Social value

Purpose is part of how we do business at Mace. We shape the built environment in partnership with the communities our work impacts. Our aim is to leave every community stronger and to create more opportunities for the members of that community. That’s why the value we generate isn’t recognised purely through revenue and profit, but through the opportunities we create and the legacy we leave behind.

As a successful business we have the ability and responsibility to support the communities our work serves. Our community investment and engagement with social enterprises is testament to this commitment. From our own projects and offices to the entire planet, we can drive positive impact on the natural world around us. That is why we track the value we add through environmental and green space activities.

Social value is often framed in broad terms while its impact is felt most clearly when it is embedded into day-to-day activity during construction. By broadening access to employment, projects can tap into a wider talent pool while supporting sustainable workforce development in the community. Partnering with initiatives such as the [DIVERT programme](#), who support young people released from custody, demonstrate how alternative routes into employment can engage harder-to-reach community members.

During National Apprenticeship Week 2025, our teams at Peterborough Court and Daniel House hosted Julia Kinniburgh from the Department for Education and Executive Chairman, Mark Reynolds to discuss how the industry can better close the skills gap. It resulted in a £625m additional construction skills package and creation of the Construction Skills Mission Board. As part of our T-Level placement programme, students from a local college visited our project at Berkley Square, gaining first-hand insight into how the development is delivered and the range of careers involved.

Project teams on other sites have embraced initiatives from hosting events for a nearby community centre and running site tours for residents, granting them visibility into how potential disruption was being managed, to joint modern slavery stand-down sessions, reinforcing shared responsibility and ethical practice across the supply chain.

We understand that when social value is integrated with project delivery, its impact extends well beyond individual initiatives. Projects that are trusted locally are better positioned to progress smoothly, with fewer challenges linked to disruption or misunderstandings. Workforces that are supported through inclusive hiring and skills development are more resilient, contributing to greater certainty across programmes.

In 2025 Mace Group gave back:

Volunteering hours	24,449
Total hours invested in community projects	7,304
Students engaged	21,081
Employees achieving vocational qualifications level 4 or above	141
Hours dedicated to wellbeing programmes	12,567

OUR SOCIAL VALUE PERFORMANCE

Our core measure of the social value we generate is ‘value to society’, an independently audited measure that approximates the value we add across six ‘capitals’. We’ve measured that performance every year since 2017, and in 2021 we set ourselves the ambitious target of delivering £700m in social value each year by 2026. After achieving this ahead of schedule in 2025, we increased the target to £1.3bn to ensure we continue to achieve even more and drive greater impact.

We measure value to society using six key capital indicators.



£38m

Financial

We measure our financial value not simply through our own revenue and profit, but also through the tax we pay, and how we pay our people.

£88m

Intellectual

This targets areas where we share knowledge, upskill our employees and support those outside of our business to grow. From investing in research and development, to vocational qualifications.



-£337k

Natural

From our own projects and offices to the entire planet, we can create a positive impact on the natural world around us through our work. That's why we measure the value we add through environmental and green space activities.



£803m

Human

People are at the heart of our business, so one of the ways we measure our value is through how we support them and encourage them to support others. From volunteering and wellbeing programmes to construction site safety.

-£30k

Manufactured

Here we focus on how our consumption of key fuels impacts the value we add. From LPG and natural gas to diesel and petrol.



£55m

Social

Through our platform we have the ability and responsibility to support the communities our work serves. We measure our social value through, for example, community investment and our spend with social enterprises.

76,147 hours

of compliance and non-compliance training completed, and £1.4m of investment in training programmes made, resulting in £14m of value to society

Social enterprise spend generated

£1m

Employee volunteering contributed

£0.79m

with 24,500 hours of employees volunteering activities.

Employee health and wellbeing generated

£1m

of value to society with over 10,000 employees participating in wellbeing activities.

Client satisfaction	89%
Revenue invested in R&D	3.5%
Colleague compliance with training and ethics certification	99.5%

ESG – GOVERNANCE

Our governance framework is designed to ensure transparency, accountability and integrity in all our operations.

Since 2019, we have published our ESG performance, detailing progress towards our bold targets and KPIs. We share our strategies, performance, actions and learnings publicly to inspire change. In 2025, we announced the next stage of Mace Consult's strategic journey to become an independent organisation, enabling Mace Group to evolve with a new vision and a renewed focus.

Since the announcement we have not only kept the business operating effectively through unprecedented change, but also continued to innovate, to invest in smarter systems and to lead the way on the pertinent issues facing the industry, from circularity to digital collaboration. We were trusted by our clients and partners to deliver some of the biggest and boldest projects of 2025.

Our governance remains strong and focused on ensuring both businesses are set up with the tools they need for future success, while maintaining our values and purpose – what makes us Mace.

Strategic direction

For our Group Board, the governance focus meant continuing to take responsibility for setting Mace Group's strategic direction, setting the key performance indicators we use to measure our success and articulating our appetite for risk and growth.

From 1 January 2025, Mace progressively adopted the UK Corporate Governance Code on a voluntary basis. This change reflected the company's desire to strengthen Board independence, risk oversight and transparency. It also recognised our historic growth as a business and the need to ensure the sustainability of this in a well-managed and compliant way. At this juncture, the six independent non-executive directors (NEDs) began their first full year of operation, meaning that the Board was comprised of a majority of independent members in compliance with the Code.

In addition, several committees established to support the Board also began operations to provide oversight and more detailed consideration of specific work areas and advise accordingly. Each committee has a specific mandate and operates under clearly defined terms of reference.

The Audit & Risk Committee oversees financial reporting processes, the identification and management of risk and the operation of compliance and assurance processes. The People & Remuneration Committee oversees the development and implementation of effective people-related strategies; the identification and management of people-related risks; the overall approach to remuneration and the setting and implementation of policies for managing the pay of executive directors and senior management, including the remuneration policy for executive directors and senior management in accordance with the Corporate Governance Code.

The Nomination Committee oversees senior succession planning, ensuring that the Board and its committees are properly constituted in terms of diversity, experience, knowledge, independence and balance of skills to support Mace values. The Safety & Responsible Business Committee, Investment & General Purpose Committee and Tender Committee were also operational in 2025.

2025 was the first year in which Mace Group aligned with the principles of the UK Corporate Governance Code. The majority independent Board and four independently-chaired Board Committees enhanced the level of oversight, constructive challenge and debate across the business, and supported the carve-out of Mace Consult. This governance model has remained in place with minor changes during 2026.

As a simpler, UK-only contracting business, Mace Construct now carries less risk, employs fewer people and has a much-reduced global regulatory footprint. Accordingly, the Board considers that it is in the best interests of the business and its stakeholders to simplify its leadership and governance structures from the start of 2027.

Where appropriate, we will continue to align with the principles of the UK Corporate Governance Code. However, as a private business, we will adopt alternative, more agile and simpler arrangements in some areas, whilst maintaining robust governance, effective decision-making and valuable independent oversight and scrutiny.

The relevant changes will be announced in the final quarter of 2026.



Client relationships

We pride ourselves on our high-quality and long-lasting client relationships. We aim to improve satisfaction and brand advocacy by listening to what our clients have to say with the understanding that improved client experience leads to improved retention, advocacy, share of spend and operational efficiency.

We conduct regular surveys using an independent third party to help us assess customer satisfaction against key criteria. By analysing data and recognising trends we can identify areas for improvement and continue to deliver distinctive value. In 2025, we achieved an overall 89% client satisfaction score, exceeding our 2026 targets.

Redefining the future

Our governance is grounded in data-driven insight, enabling informed decisions and a focus on continual improvement.

In 2025, we focused on how data and AI could and are redefining the future of construction. As capital projects grow in scale and complexity, construction firms are increasingly turning to data, artificial intelligence (AI) and digital collaboration to deliver greater certainty, efficiency and value. Far from incremental change, this is a fundamental shift – reshaping not only how we build, but how we plan, manage and optimise every stage of the project lifecycle, and we want to lead the way in responding to the challenge.

We see digital integration as the key to unlocking the next frontier of construction performance. By embedding AI and data intelligence into core delivery processes, we're moving from reactive to predictive execution, improving outcomes while enabling more agile, transparent collaboration across our teams and partners.

Digital automation

Delivering smarter, faster and safer projects requires more than data; it requires insight. AI and machine learning now sit at the heart of Mace Construct's ambition to improve productivity by 30% through digital automation by 2030. The introduction of Project Lift in 2025 accelerated how we capture, analyse and act on information across our sites allowing us to use real-time insight to improve safety, productivity and delivery performance.

We are actively deploying AI-enabled tools that blend human expertise with digital intelligence. On several of our live projects, we are piloting 360-degree site scanning technology that automates progress tracking and forecasts programme timelines – enabling teams to validate performance with precision and intervene early when deviations arise.

At the heart of this transformation is our Data Hub: a centralised repository that aggregates raw data across our live projects. This intelligence is visualised through dynamic dashboards, enabling project leaders to course-correct in real time and reduce risk exposure.

Our Project Data Hub extends this capability further, combining federated models, time-lapse imagery and digital rehearsals into a collaborative environment. This integrated platform not only improves transparency and engagement but supports a data-led operating model where insight drives performance.

Building smarter

Our Digital Control Rooms provide a central interface capturing live project performance data measuring quality, productivity and programme milestones. On average, we digitally track and trace around 8,000 components on each project – including precast elements and structural steelwork, contributing to a 10% uplift in productivity.

On-site delivery is further enhanced by our Field Management System, which captures live data on inspections and work package progress, embedding quality assurance directly into the build process.

Moreover, digital rehearsals and model-driven planning are supporting our teams to optimise complex sequencing before work starts on site. These tools also unlock new opportunities in sustainability, allowing teams to identify material reuse strategies and make lower-carbon specification choices from the earliest stages.

An AI-enabled future

Artificial Intelligence (AI) will be the centre of disruptive technology within Mace Construct, and our goal is to be a leader in AI technology by putting the appropriate foundations in place to ensure our success at delivering productivity-advancing solutions. In 2025 we created an AI Working Group to encourage a unified approach, bringing together the right people from across the business. This group has the right level of governance, accountability and sponsorship to develop and implement real solutions. Our goal is to standardise AI-driven solutions and enable structured, scalable adoption. This includes harmonising data sources, integrating predictive and generative models, and embedding AI into workflows to improve decision-making and efficiency.

AI-powered planning software and design applications are already showing great promise, from predictive modelling that anticipates risks before they arise, to intelligent design platforms that optimise layouts for energy efficiency, cost and buildability. These tools don't just support decision-making, they actively shape it, enabling teams to predict scenarios and to drive better outcomes.

In the future, AI will redefine roles and reshape workflows. By automating repetitive tasks and enhancing decision-making, it unlocks capacity for more strategic, value-adding work – driving productivity and efficiency to new heights. This shift demands a new skillset: fluency in data interpretation and digital collaboration. We must empower our people, invest in talent and R&D, and equip teams with the right skillset to reimagine what it means to build.

PROJECT LIFT

Project Lift is a change programme designed to:

- **L**ighten the load
- **I**mprove our ways of working
- **F**ocus on what's important
- **T**ransform the way we deliver our projects

In a year that was all about resilience, responsiveness and building strong foundations, the implementation of Project Lift was the initiative that allowed us to take those foundations and evolve into an even more predictable business in terms of project outcomes. Through the use of better data and digital tools, Project Lift aims to make us even more effective at identifying and mitigating risks. More resilient. More productive. And there is so much more to come.

Digital Compass and 'Project in a Box'

The first of four priorities for Project Lift was the creation of a Digital Compass which aims to standardise the digital construction offer at Mace and enable a widespread and structured project adoption. Project in a Box standardises all systems used where appropriate to support economies of scale, integration of project data, automation and to bring consistency and predictability to the way we deliver projects.

The Digital Compass will be introduced to all construction projects currently in the pre-construction phase with guidance and templates rolled out to facilitate identification, tracking and adoption. The Digital Compass points projects to what tool should be used and what digital construction activities should be deployed, building up a repository of templates over time and providing user guides. This further supports the automation of data for other solutions such as control rooms and digital reporting.

Digital reporting

The second priority saw the creation of an automated suite of standard digital project reports. This was created with the objective of streamlining all data into a single reporting framework. The framework serves two purposes, firstly giving our project teams the data and information they need to manage and drive projects, and second, providing the data and information that senior leaders need to manage business performance.

The reports allow us to look ahead, provides early identification of project issues and drives accuracy and transparency in reporting.

This single source solution is planned to be rolled out to all projects in 2026 and embedded into monthly governance and reporting. Over time more project controls functionality will be included into the reports to drive forward-looking predictive metrics and analytics.

Digital risk management

Risk is managed every day on our projects, and we do it well, but we can always improve. Project Lift's solution is a tool called Risk Hive to allow for the uniform capture, assessment and escalation of risk. The tool brings structure, visibility and collective intelligence to project risk management. Deployed across all new projects and any with more than 12 months left on the programme, this tool is about strategic agility, shared ownership and a culture of transparency and accountability.

At Mace we think about how projects are run, not just what they deliver. Project Lift allows us to evolve that thinking to strengthen delivery and achieve project certainty. We can impact future performance now through fostering capability, consistency and confidence across our projects and our teams.

Project Lift in practice

The opportunities for Project Lift to transform the way we operate are huge and in 2025 the priority was on discovery, ensuring shared understanding – technical, operational and cultural – and that the solution is futureproof in terms of scalability, strategy and risk. Project Lift may be about digitisation and innovation, but it is the people who use it that will make the difference. A people workstream was therefore created to reflect the work needed around culture, training, roles and responsibilities and communication to ensure new solutions are embedded and value maximised.

To shift mindsets and build momentum across the business, Lighthouse projects were identified to help test the systems and create internal champions.

Moving forward, our projects are divided into three categories:

- 1. Core** – For lower-risk projects with limited digital construction requirements from the client. The focus for these projects is mainly on model coordination and ensuring the key processes are digitally structured.
- 2. Evolve** – Also known as the growth stage, higher risk projects chosen for the evolve category have moderate client requirements with some digital services enabled. Digital construction processes on site are already structured and mature, providing added value beyond coordination while remaining flexible to project needs.
- 3. Explorer** – This category is for high-profile or landmark projects where digital construction is used strategically, processes are best-in-class, experimentation and proof-of-concepts are encouraged, and advanced technology is leveraged to impress, innovate and set new standards.

Projects chosen as Lighthouse projects span the sectors including the Heathrow Asset Management and Compliance (AMC) Programme; 1 Victoria Street, transforming a substantial 1960s office building, previously occupied by the Government Department for Business, Energy, and Industrial Strategy (BEIS); a five-storey data centre development and a project for a major global biopharmaceutical client. The teams chosen have been working to identify opportunities to trial and implement new ways of working at pace, and to define the benefits of the tool in terms of health, safety and wellbeing, efficiency and quality. Teams have been encouraged to test the tools and demonstrate progress while also becoming a driving force for change throughout the wider business.

We're proud to be at the forefront of this shift, connecting the dots between data, collaboration and innovation to build smarter, more resilient cities. This transformation is not just technological, it's cultural. And it starts with bold thinking, strategic investment and a shared commitment to shaping the future of our industry.

Code of Ethics

We are committed to conducting our business ethically and in compliance with all applicable laws and regulations. Our Code of Ethics sets out the standards of behaviour expected from all employees, and we have mechanisms in place to ensure compliance with the laws that apply to us in each jurisdiction in which we operate.

Our Code of Ethics is not only about compliance; it's also about upholding our reputation as a fair, honest and ethical organisation that conducts business responsibly and always does the right thing. Our Code of Ethics sets out the standards of behaviour expected of everyone at Mace and is a key foundation of our culture. We operate an annual Code of Ethics certification process for all employees, requiring everyone to confirm that they have read, understood and have complied with the principles set out in the Code. This process helps ensure we uphold and maintain ethical standards and a consistent culture of integrity across the business. We also employ a Supplier Code of Conduct, which supports our commitment to conducting our business ethically by setting the standards we expect of our suppliers.

You can find out more from the Corporate Governance section on our website [Mace Group | Corporate governance](#)

Speak Up

To help us encourage the highest standards of ethical behaviours, corporate governance and accountability, Mace operates a speak up culture supported by an anonymous whistleblowing hotline, which is available 24 hours a day, seven days a week. Our Speak Up policy gives clear guidance so that anyone at Mace can raise concerns of wrongdoing and can be found in our Code of Ethics guide here [Mace Group | Corporate governance](#)

Anti-Bribery and Corruption Policy

As part of our commitment to the highest level of corporate compliance and ethical behaviour, we take a zero-tolerance approach to bribery and corruption. Our compliance with anti-bribery laws (both existing and forthcoming) is much more than a legal requirement; it's about how we want to be perceived by society at large – fair, honest and ethical. It is extremely important that we, as an organisation, have in place robust anticorruption procedures to demonstrate compliance with the law and our commitment to ethical business values. At the core of our zero-tolerance approach is the Mace Anti-Bribery and Corruption (ABC) Policy [Mace Group | Corporate governance](#)

Anti-Fraud Policy

In 2025 we introduced a new Anti-Fraud Policy in response to the new UK legislation – the Failure to Prevent Fraud under the Economic Crime and Corporate Transparency Act 2023 (ECCTA). The policy sets out in detail what we expect of our colleagues to comply, and our Code of Ethics and Suppliers' Code of Conduct have been updated to include a section on fraud, providing a summary of what constitutes fraud, our expectations for ethical conduct across all roles and relationships, and the importance of due diligence and transparency in our operations. The new policy is not just about legal compliance, but also reinforces our commitment to integrity, fairness and accountability in everything we do.

Modern Slavery Act

We are committed to ensuring that modern slavery and human trafficking is not taking place within our business or our supply chain. We have working relationships with unions and police forces around the UK in relation to preventing modern slavery and work alongside partners such as EcoVadis, as well as charities such as Hope for Justice, Slave-Free Alliance and Sedex to help implement our approach. We have made several commitments and developed policies designed to help us eradicate modern slavery, all of which have been detailed in our full Modern Slavery Statement which can be accessed on our website [Mace Group | Discover Mace](#)

Health and Safety Policy Statement

The health, safety and wellbeing of our people is the foundation of everything we do. Driven by Mace's 'Safety first' value, we are clear that our people and supply chain must go home safe and well at the end of every day. This takes visible leadership, innovation and the commitment of every single one of our people, partners and clients. Find out more at [Mace Group | Health, safety and wellbeing](#)

Environmental Policy

For over 30 years, we have been shaping cities and building sustainable communities. From the resources we use to the waste we generate, we are taking bold action – to transform our business activities, be at the forefront of research and development and spearhead positive change. You'll find our environmental policy statement here: [Mace Group | Sustainability](#)

Responsible Materials Procurement Policy

We are responsible for specifying and procuring large quantities of materials for construction projects and associated services. We recognise that the choices we make and the advice we provide can have significant direct and indirect impacts upon people and the environment. Our policy sets out Mace's strategic commitment to the procurement and management of materials. View our policy at [Mace Group | Corporate governance](#)

Subcontractor and Supplier Fair Processing Policy

We are committed to protecting and respecting our partners' privacy. This policy sets out the basis on which we will process any personal data we collect in our pre-qualification checks and throughout our relationship with our contractors, sub-contractors and their employees. You can view the policy here: [Mace Group | Our supply chain](#)



Supplier dispute resolution process

As a signatory to the UK Government's Prompt Payment Code, we are committed to dealing fairly and transparently with all suppliers to ensure a timely and efficient resolution of any disputed invoices. You can find our dispute resolution process here: [Mace Group | Our supply chain](#)

Compliance training

We work with over 1,000 different suppliers and have taken care to build this supply chain around shared values. To ensure we maintain high quality on our projects, we deliver classroom-based training to our strategic supply chain. Our unique Mace Business School teaches our key suppliers to deliver industry best practice and maintain the highest levels of health and safety and wider regulatory issues, underpinned by our suppliers' code of conduct. As processes and techniques evolve, we adapt to ensure our courses support, develop and set standards for the construction experts involved in what we do.

Tax strategy

Strong, transparent and accountable governance safeguards Mace. That's why we're proud to have held the Fair Tax Mark since 2020, the global gold standard of responsible tax conduct. We are dedicated to paying our fair share of tax in all the countries in which we operate, only applying generally available tax reliefs, and we remain committed to managing tax risk and reporting effectively and transparently. Our tax strategy is published on our website: [Mace Group | Corporate governance](#)

TCFD REPORT

INTRODUCTION

We remain committed to producing transparent, structured reporting consistent with the recommendations of the Task Force on Climate related Financial Disclosures (TCFD), ensuring that climate related risks and opportunities are continuously assessed across the business and embedded in our strategic decision making, operational processes and the evaluation of long term financial resilience.

Non-financial, sustainability information statement and governance

We view the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as a mechanism through which to engage the business globally on climate-related risks and opportunities; and to build climate resilience into our business planning and strategy development.

We have continued to enhance our disclosure by quantifying the financial impacts of the climate-related risks and opportunities identified as applicable to Mace Group. Climate-related risks and opportunities identified include increased operating costs, a green skills gap, policy change and revenue growth. Management of climate-related risks is being identified through stakeholder engagement and analysis which will be incorporated into future strategic and financial plans.

Our disclosure aligns with the four TCFD pillars: Governance, Strategy, Risk Management, and Metrics and Targets. It highlights our progress in 2025 and the areas of focus.

We have published our report in line with the TCFD Financial Stability Board's (FSB) recommendations. It forms part of our Non-Financial and Sustainability Information Statement, as required by The Companies (strategic report) (Climate-related Financial Disclosure) Regulations 2022. Effective and transparent governance safeguards Mace Group and helps it grow sustainably. This includes taking appropriate account of climate-related risks in our planning. For our third TCFD report, our Safety & Responsible Business Committee assessed climate-related risks and opportunities. Every business unit considered climate-related risks and opportunities in their business plans.

GOVERNANCE

In 2024, Mace introduced a new governance framework and in 2025 we saw the benefits of the increased maturity across the framework which enhances the Board's role in reviewing the strategic and operational outputs from Board Committees and provides formal opportunities to discuss climate-related issues. Climate-related risk was reported to the Board through the Audit & Risk Committee and the Safety & Responsible Business Committee. We also developed an Enterprise Risk Management system to encourage consideration of climate-related risks.

In response to the 2025 TCFD disclosure requirements, we conducted an assessment of the physical and transitional climate-related risks across our business. This fed into the Audit & Risk Committee and was shared with leaders across the Group. The Safety & Responsible Business Committee provides summaries of relevant horizon scanning reports and knowledge-sharing articles to all levels of management. In addition, relevant leaders within the business have delivered climate-related briefings to all levels of staff to increase awareness of climate-related risks and opportunities.

Mace Group supports a number of industry-leading campaigns aimed at tackling the climate emergency, such as SteelZero, ConcreteZero and CO₂nstructZero, and is focused on increasing circularity and favouring retrofit over new build.

STRATEGY

Climate-related risks and opportunities

We undertook scenario analysis to help explore and develop an understanding of how climate change may impact our operations, strategies and financial performance over time. Given the associated uncertainties with assessing and planning for climate-related risks and opportunities, our scenarios are not intended to predict the future, but describe possible best-case and worst-case future scenarios, presenting a series of variables for which to assess Mace Group's resilience to climate change. Our scenarios are informed by Intergovernmental Panel on Climate Change (IPCC) Shared Socio-economic Pathways (SSPs), Representative Concentration Pathways (RCPs)³ and Network for Greening Financial Institutions (NGFI)⁴ scenarios. The scenarios are summarised in Table 1.

Analysis of 2025 performance builds on our previous TCFD report, incorporating updated data, refined assumptions and enhanced risk assessment methodologies. To identify the climate-related risks and opportunities that could impact our business, strategy and financial planning, we have undertaken the following:

- Global engagement with internal stakeholders;
- Review of previously identified climate-related risks and opportunities to confirm ongoing relevance in the context of regulatory, market and technological developments;

- A risk assessment to identify the climate-related physical hazards and associated risks in our operating locations. Our physical risk assessment methodology was informed by leading industry guidance. Our assessment baseline considers current and future climate resilience to the identified climate change hazards.
- Update of the short-, medium – and long-term planning horizons to align with Mace's most recent strategies; and
- Refinement of key assumptions and input updates in our financial models and analysis.

We have identified the climate-related and physical and transition risks in the short term (to 2030), medium term (10 years) and long term (20 years+) which align with our planning horizons used for strategic decision-making. Our timeframes have been defined based on our standard contracting mechanisms.

A description of the physical climate change hazards and associated physical risk is provided in Table 2.

Table 1. Our climate change scenarios

Climate change scenarios	
Low emissions scenario	High emissions scenario
This scenario is based on the underlying narrative provided by the IPCC SSP1-2.6 scenario that has informed the NGFI Net Zero 2050 scenario. Global warming is limited to 2°C and CO₂ emissions are cut to net zero by around 2070. Mace recognises that scientists predict that warming above 2°C is possible in the near future and this has informed our application of the low emissions scenario in our risk assessment, impact analysis and financial modelling. Relative to other scenarios, the physical impacts of climate change are lower, with global systems and society having a high adaptive capacity. Through ambitious climate policy, environmentally friendly technology and financial incentives for decarbonisation, steps are made towards the Paris Agreement targets. There are behavioural shifts in lifestyle towards more sustainable practices including conservation of resources.	This scenario is based on the underlying narrative provided by the IPCC SSP5-8.5 scenario that has informed the NGFI Current Policies scenario. Global warming of 4°C and CO₂ emissions doubled by 2050. Relative to other scenarios the physical impacts of climate change are higher, with global systems and society having a low adaptive capacity. Little progress has been made towards net zero targets, economic growth is driven by intensive use of fossil fuels and high consumption of resources.

³ SSP-based scenarios are referred to as SSPx-y, where 'SSPx' refers to the Shared Socio-economic Pathway describing the socio-economic trends underlying the scenarios, and 'y' refers to the level of radiative forcing (in watts per square metre, or W m⁻²) resulting from the scenario in the year 2100.

⁴ NGFI Phase V Scenario Report – Current Policies and Net Zero 2050 for 2030 to 2050. Further information is available in the NGFS long-term scenarios for central banks and supervisors (2024).

Table 2. Climate-related physical risk to Mace operating regions

Climate-related physical risk to Mace operating regions	
	Heat stress Temperatures and periods of prolonged hot days are increasing. This is exacerbated by the urban heat island effect in cities, resulting in increased risk of heat stress. There are longer-term risks associated with drought, reduced agricultural production and biodiversity loss. Risk identified to limited operating regions in the short to medium term but presents a global risk in the long term in both the low and high emission scenarios.
	Extreme precipitation As temperatures rise, extreme precipitation events including flash rainstorms and monsoons increase in frequency and intensity. Indirect risks relate to flash flooding. Longer-term risks include water contamination, reduced agricultural production and biodiversity loss. Risk identified to limited operating regions in the short – long term in the low emission scenario but presents a global risk in the long-term in the high emissions scenario.
	Storms and wind events Rising sea temperatures are contributing to an increase in the frequency and strength of tropical storms, cyclones and hurricanes. Rising temperatures are increasing the frequency and intensity of extreme precipitation events. Indirect risks include flash flooding. Risk identified to limited operating regions in the short to long term in the low emission scenario, limited operating regional risk in the short to medium term but global risk in the long term in the high emissions scenario.
	Water scarcity Increasingly dry conditions are contributing to an increase in the frequency and strength of tropical storms, cyclones and hurricanes. Rising temperatures are increasing the frequency and intensity of extreme precipitation events. Indirect risks include flash flooding. Risk identified to limited operating regions in the short to long term in the low emission scenario, limited operating regional risk in the short to medium term but global risk in the long term in the high emissions scenario.
	Wildfire Increasingly dry conditions create a risk of wildfire, particularly in rural areas surrounding cities. Fire season is likely to last longer and be more intense. Indirect risks include heat stress and water scarcity. Risk greater to operating regions in the long-term in a low emissions scenario.
	Fluvial and pluvial flood risk Climate change increases the frequency and intensity of extreme precipitation events, leading to potential increases in waterbody levels. Flood storage is likely to become overwhelmed by snowmelt caused by temperature increases. Societal influences, such as urbanisation, resulting in a loss of flood storage, will increase vulnerability. Longer-term risks include water contamination, reduced agricultural production and biodiversity loss. Risk to limited operating regions in the short to long term in the low emission scenario, limited operating regional risk in the short to medium term but global risk in the long-term in the high emissions scenario.
	Sea level rise Rising sea levels may result in flooding in our operational locations. Societal influences such as urban expansion to floodplains are contributing to increased vulnerability. Risk to operating regions in the long-term high emissions scenario.

Mace Group's strategy is designed to be resilient and incorporates both the low emissions scenario and high emissions scenario. As we grow, we remain focused on ensuring our operations are climate resilient and that climate-related risks and opportunities are fully integrated into our strategic planning.

As climate impacts and regulations intensify, demand for resilient and sustainable assets will grow. This will include increasing demand for retrofit and schemes with low embodied and operational carbon emissions. Mace Construct will be well placed to capitalise on this by continuing to develop lower carbon construction methodologies and building upon first-hand delivery experience. By maintaining in-house sustainability expertise, Mace Construct are well placed to advise and support clients in delivering future-proof assets.

Contractual agreements provide some protection from operational risks and Mace Group will continue to strengthen these protections over time. However, there are, and will continue to be, operational costs, potential capital damage and risk to services. Mace Group predominantly leases offices and therefore costs related to repair of physical damage are not anticipated, with the potential impacts identified to be associated with our leased offices largely relating to operational disruption and content loss. Impacts associated with climate-related risks resulting from physical risks are detailed in Table 3. Impacts are anticipated to be greater in a high emissions scenario and to affect some operating regions more than others.

Table 4 summarises how climate risks and opportunities have been modelled, the factors considered during model development, and their potential short-, medium-, and long-term impacts. Quantifying this financial impact has enabled us to prioritise the most significant risks, opportunities, and mitigation actions, and will inform our future strategic and financial planning. Where available, physical climate risk and financial data have been assessed, but limitations in data availability, coverage, and methodological consistency prevented the development of a reliable quantitative financial models to identify the impact for some of the risks and opportunities identified in Table 5.

Table 3. Climate-related physical risk impact

Decline in health and wellbeing	Short to long term impact on our people related to wellbeing, health and safety including illness, injury and loss of life. These effects could occur whilst working in a Mace office location, client office location, during a site visit or whilst working from home.
Reduction in productivity	The effects of climate change may increase absenteeism or reduce productivity potentially resulting in increased operating costs and project delivery delays in the short to medium term.
Project and programme delays	Project and programme delays resulting from disruptions to operations, transport and logistics in the short to medium term.
Increased operating costs	Effect on the cost of operating due to a rise in energy bills associated with an increased requirement for cooling in Mace office locations in the short to medium term. Effect on the cost of operating due to higher content insurance premiums in those operating locations at an increased risk of experiencing the impacts of climate change such as flooding in the short to medium term. Physical damage to Mace Group offices and operating locations may result in a requirement to relocate in the medium term.
Disruption to operations	Damage to critical infrastructure such as utilities, buildings and infrastructure including IT, offices and transport could disrupt operations resulting in increased operating costs and project delays in the short to medium term.
Operating region market failure	Exposure to the physical effects of climate change in higher risk regions may result in financial instability, posing a threat to project delivery and limiting the ability to fund ongoing and future services in the medium to long term.
Credit risk	Disruption to operations because of the effects of climate change could increase operating costs, which could reduce the capacity to repay loans
Increased client risks	Change to our project requirements, programmes and service offers to meet client requirements to address the impacts to climate change they may be experiencing in the short to medium term.
Market repricing	Higher project costs stemming from supply chain disruption, climate-related physical damage, and macroeconomic downturn are likely to lead to more cautious spending by clients. Financial planning will need to adjust to these pressures, including increased allocation toward climate resilience. A varied pace of adaptation across clients may result in a short to medium term decline in service demand.

Table 4 summarises how climate risks and opportunities have been modelled, the factors considered during model development, and their potential short-, medium- and long-term impacts. Quantifying this financial impact has enabled us to prioritise the most significant risks, opportunities and mitigation actions, and will inform our future strategic and financial planning. Where available, physical climate risk and financial data have been assessed, but limitations in data availability, coverage and methodological consistency prevented the development of reliable quantitative financial models to identify the impact of some of the risks and opportunities identified in Table 5.

Average Annual Financial Impact:

£ = £0 - £250k
 ££ = £250k - £10m
 £££ = £10m - £200m
 ££££ = £200m - £500m
 £££££ = £500m +

Table 4. Climate-related transitional risks and opportunities to Mace

Risk / Opportunity	Description of Impact	Low Emissions Scenario (NZ)			High Emissions Scenario (BAU)		
		Short Term (2026 – 2030)	Medium Term (2030 – 2040)	Long Term (2040 – 2050)	Short Term (2026 – 2030)	Medium Term (2030 – 2040)	Long Term (2040 – 2050)
Growth in demand for sustainable, climate-resilient buildings and infrastructure	As climate impacts and regulations intensify, demand for resilient and sustainable assets will grow. This will include increasing demand for retrofit and schemes with low embodied and operational carbon emissions. Mace Construct will be well placed to capitalise on this by continuing to develop lower carbon construction methodologies and building upon first-hand delivery experience. By maintaining in-house sustainability expertise, Mace Construct is well placed to advise and support clients in delivering future-proof assets.	£££	£££	£££	££	££	£££
Economic loss due to climate change	Climate change could significantly impact economic performance, with significant potential revenue exposure by 2050 in a high emissions scenario. By modelling expected GDP contraction rates from 2030-50 associated with a low response to climate mitigation, an assessment of potential impact to Mace Construct was made. Proactive investment and strategic planning are essential to manage transition costs, avoid regulatory and reputational risks, and mitigate unavoidable physical impacts.	£	£££	£££	£	££	£££
Increased costs linked to compliance and legislation	Tighter legislation and rising compliance costs are likely as climate pressures grow, particularly in a low-emissions scenario. Any lapse in compliance could significantly increase financial and reputational risk by 2050. Maintaining market leadership will require continued investment in transparency and compliance to avoid losing competitive advantage. Our current modelling incorporates a global average assessment of physical climate risk rather than region-specific impacts. This reflects the focus of the first iteration of the model on transition-driven risks such as compliance and reputational exposure, rather than direct physical hazards. As a result, no location-specific physical risks are explicitly modelled at this stage.	£	££	££	£	££	££
Cost of green skills training required to maintain effective delivery and work winning	Climate change is accelerating the shift towards low carbon technologies and new regulatory and client expectations, which is increasing demand for green and transition related skills across the built environment. The key risk for Mace Construct is if demand for these skills rises faster than internal capability development, we may see a downturn in successful work winning. Training costs are expected to triple by 2035, with over half relating to internal processes such as mentoring and shadowing. We must continue to strengthen our internal training to not face higher reliance on external training, which will result in increased costs, and may cause slower growth in critical capabilities needed to deliver net zero and climate-resilient projects.	£	£	££	£	£	££

RISK MANAGEMENT

Mace Group's Enterprise Risk Management Framework (ERMF) guides the identification, assessment, categorisation, prioritisation and response to existing and emerging opportunities and threats to our business plan and strategic objectives.

Mace Group's process for identifying and assessing climate-related risks (both opportunities and threats).

Recognising climate change as a systemic and strategic risk, Mace Group established a dedicated TCFD working group in 2023 to review management practices, collect and update climate-related information and engage with representatives from across our global operations. Since then, the Group has continued to adapt and enhance its approach and focus its efforts on delivering continuous improvement on our risk management processes.

Building on the foundations laid in 2023 and 2024, we continue to refine our understanding of climate-related risks and opportunities. We have reviewed and amended the previously disclosed risks and opportunities, and identified the potential financial impact associated with these. Our engagement remains tailored to Mace's core business sectors. Climate-related risks have been assessed in both a low and high emission scenarios.

This process has informed the update of the climate risk management approach for Mace Construct, reflecting its distinct operational context and exposure to physical and transitional risks. The findings were reviewed by the Audit & Risk Committee and informed strategic planning at Group level.

Mace Group's processes for managing climate-related risks.

In 2025, Mace Group's governance structure was enhanced by the progressive adoption of the UK Corporate Governance Code and the appointment of six independent non-executive directors. These changes strengthened the business' ability to identify, manage and respond to climate-related risks. The Board was accountable for risk management. It was supported by the Group Executive Committee (GEC), which held overall responsibility for risk management. The Audit & Risk Committee provided oversight of the identification and management of principal risks, including those related to climate change.

Mace Group utilises the digital riskHive system to structure and manage risk information, including information about sustainability and carbon-related risks. This is supported by Mace Group's Quality Management System 'Engage', which includes sustainability criteria and considerations for our projects. Since the last reporting period, Mace Group has embedded more carbon management guidance into our control centre, aligned with PAS2080 and ISO 14001 guidance and certification.

The most material risks identified through this process are summarised in the Strategy section of this report and have been reviewed by the Board. Climate-related risks and opportunities continue to be a key agenda item for the Audit & Risk Committee, and sustainability and climate change are a principal risk in our 2025 Strategic Report. This approach, supported by our digital management platforms, is integral to our ability to manage climate risks and capitalise on emerging opportunities, and they will continue to evolve in line with our sustainability strategy and regulatory expectations.

METRICS AND TARGETS

Mace Group continues to use a robust suite of climate-related metrics and key performance indicators (KPIs) to monitor its response to climate-related risks and opportunities (see Table 6). In 2025, the Safety & Responsible Business Committee reported on these KPIs to the Board, ensuring strategic oversight and alignment with our sustainability goals.

Our overarching sustainability ambition, set out in the 'Steps Without Footprints' strategy (2020), outlined an ambition towards net zero and sets an interim target of a 10% year-on-year carbon reduction in Scopes 1 and 2 emissions through to 2026. In 2024 Mace Group committed to setting a science-based target and in 2026 those targets were validated.

We report our Scope 1, Scope 2 and some Scope 3 emissions in accordance with the streamlined energy and carbon reporting (SECR) regulation, and in compliance with the Energy Savings Opportunities Scheme (ESOS). We align our business with PPN 06/21 and produce a Carbon Reduction Plan (CRP) reporting on our performance every year. Our carbon footprint and a breakdown per engine is captured in table 5 on page 65.

We understand that our clients are undergoing similar transitions and are seeking to respond to climate-related risks. In 2025 we delivered carbon savings beyond our footprint and continued to reduce our clients' carbon, progressing towards our target to deliver 10 million tonnes of carbon savings for our clients.* Mace's scope of influence in 2025 was significant. As a business, providing property and infrastructure to communities, we have a responsibility to lead sustainable construction from the front, be a voice for change and share our knowledge to help our clients realise and achieve their ambitions. By looking at whole lifecycle carbon (WLC) emissions, which result from the construction and use of a building over its entire life, including its demolition and disposal, we have been able to build a true picture of a building's carbon impact on the environment and identify where the industry generates the highest amount of carbon emissions. So far, we have secured a portfolio of works that, once delivered, will save our clients 4,679,372 tCO₂e tonnes of carbon.

Mace Group have public commitments to the following:

CLIMATE GROUP STEELZERO	50% low emissions steel use by 2026 (100% by 2040)
CLIMATE GROUP CONCRETE ZERO	30% low emissions concrete use by 2025 (100% by 2050)
CLIMATE GROUP RE100	Procure 100% renewable electricity by 2030



* This target is under review in 2026 to reflect the change in business focus as a result of the demerger of Mace Consult.

Table 5. Climate-related risk and opportunity metrics

GHG category	Metric	Calendar year (carbon reported in tCO ₂ e)					Targets
		2023	2024	Mace Group	Mace Construct	Mace Consult	
Scope 1	Scope 1	2,201	1,577	582	392	190	
Scope 2	Scope 2 (market-based)	858	970	723	339	385	
	Scope 2 (location-based)	4,417	5,493	3,836	3,226	610	
Scope 3	Scope 3 total	7,699	18,358	6,937	1,476	5,461	
	Waste to landfill	2	1	1	1	0	
	T&D losses	317	416	379	323	56	
	Water consumption	17	28	30	29	1	
	Business travel	5,070	5,047	4,240	476	3,764	
	Embodied carbon	N/A	10,606	0	0	0	
	Working from home	2,294	2,259	2,288	648	1,640	
Total	Total Scope 1, 2 & 3 emissions	10,759	20,906	8,242	2,207	6,036	
Percentage reduction in Scope 1, 2 & 3 emissions from previous year		5.9% reduction	94.3% increase*	60.6% reduction			10% year-on-year reduction from 2020 to 2026, and net zero by 2040

Table 6. Metrics supporting our climate-related risks and opportunities

Our targets which help us to manage climate-related risks and opportunities and performance against targets^{*}:

PURSUE A SUSTAINABLE WORLD GOALS						
Metric	2025 Target	Risk/Opportunity	FY 2023 Performance	FY 2024 Performance	FY 2025 Performance	Future actions
Scope 1, 2 and 3 Greenhouse Gas emissions. See the previous table for a breakdown of emissions by scope	10% annual carbon reduction (tCO ₂ e)	Risk Reduce long-term Chronic and Acute weather events by reducing the impacts of climate change. Reduce the risk of future climate-related policy and legislation by aligning to NetZero now. Opportunities Reduced operating costs Enhanced reputation as a climate leader	10,758 (tCO ₂ e) (-7.00% reduction from previous year)	20,906 (tCO ₂ e) (94.30% increase from previous year)	8,242 (tCO ₂ e) (60.6% reduction from previous year)	We have published our circular economy in the built environment vision and will work with our supply chain to embed these principles and to reduce cost and carbon. We are resetting our approach and targets for Mace Construct in 2026 and will be aligning to a validated science-based target.
10m tonnes** pipeline client carbon saving (tCO ₂ e)	Save our clients 10m tonnes of carbon with projects delivered by 2026*	Risk Reduce long-term Chronic and Acute weather events by reducing the impacts of climate change. Opportunities Reduced operating costs Enhanced reputation as a climate leader Increased customer demand for low-carbon products and services	1,769,242 (tCO ₂ e)	3,402,156 (tCO ₂ e)	4,679,372 (tCO ₂ e)	Aligning with PAS2080 certification, we are embedding consideration of carbon into decision-making on all projects, identifying opportunities to reduce carbon through avoiding emissions designing out carbon, switching products or improving processes.

* The 10% carbon reduction target will be replaced by SBTi in 2026. The remaining targets are under review in 2026 to reflect the change in business focus as a result of the demerger of Mace Consult.

** Annual figures are cumulative

Table 6. Metrics supporting our climate-related risks and opportunities (continued)

PURSUE A SUSTAINABLE WORLD GOALS						
Metric	2025 Target	Risk/Opportunity	FY 2023 Performance	FY 2024 Performance	FY 2025 Performance	Future actions
Hectares of habitat created	Hectares of habitat created	Risks Reduce long-term Chronic and Acute weather events by reducing the impacts of climate change.	166.6 ha	202.96 ha	224.33ha	Our partnership with LWT to create new biodiverse habitat will continue into 2026. We are resetting our approach and targets in relation to biodiversity for Mace Construct in 2026.
EP100 – Double energy efficiency	Double energy productivity on construction sites by 2048	Opportunities Reduced operating costs Enhanced reputation as a climate leader Adoption of new technology	0.31 GJ/m ²	0.45 GJ/m ²	0.51 GJ/m ²	Our strategy to increase the use of off-site manufacturing and preassembly, or Construction to Production (C2P), will result in more efficient construction programmes, achieving faster build times with less onsite labour. This will reduce energy consumption on site and generate less waste. We are utilising telematics on some site machinery to monitor how efficiently it is being used and are encouraging our supply chain to adopt this approach. We have enforced a ban on diesel generators unless there are extenuating circumstances. Where there is no alternative to a generator, we push for the use of fly wheel technology to cover power demand surges, reducing demands on the generator.
Reduce construction waste by 24% by 2026	24% reduction from a 2020 baseline	Risks Demand for sustainable construction. Service offer adaptability and resilience. Opportunities Enhanced reputation as a climate leader Adoption of new technology Increased customer demand for low-carbon products and services	+10.00%	-32.84%	-28.86%	We actively promote circularity and adoption of the waste mitigation hierarchy on all our projects. Most recently, we ran several events on material reuse where we promoted and provided guidance on the use of material passports. We are looking to explore further metrics to monitor material circularity within Mace.
Diesel free sites	All sites diesel free by 2030	Risks Cost of adapting to new technology. Demand for sustainable construction. Opportunities Adoption of new technology Increase customer demand for low-carbon products and services	-69.00%	-82.20%	-76.43%	Construction has a history of relying on diesel. We advocate the use of HVO where appropriate and are working to identify new technologies to replace fossil fuels. Mace has a Low Carbon Technology brochure to support clients and drive the implementation of sustainable solutions on projects.



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GOVERNANCE REPORT

60 Leadenhall London – UK

CORPORATE GOVERNANCE



Mark Reynolds CBE
Group Executive Chairman

Strong corporate governance sits at the heart of how we operate. It provides the framework that ensures we act responsibly, treat our people with respect and make decisions that stand up to scrutiny.

I have always believed that business should be a moral force for good – creating value for everyone – our people, our partners and the communities in which we work.

As leaders, it is our role and responsibility to protect and preserve the business for our customers and the next generation. That means ensuring it operates sustainably and is managed in a just, fair and transparent way. This is how we will measure long-term success. As a newly UK-focused business, we remain passionately committed to driving change, delivering buildings, lasting value and outcomes that matter. Strong corporate governance is the foundation of how we make those ambitions a reality.

In 2025, there was more pressure, scrutiny and accountability placed on how we govern than ever before. The transaction and subsequent business separation meant that the situation we faced was unprecedented. However, our new Board and committees provided us with the challenge and scrutiny required, enabling greater oversight. The progressive adoption of the UK Corporate Governance Code 2024 from 1 January 2025 and the move to a majority of independent Board members positioned the Mace Group well to respond to these challenges.

The establishment of the Group Executive Committee has been instrumental in guiding management's thinking and delivery during this challenging time. The Board has done an extremely effective job helping us navigate these uncharted waters, ensuring that the transaction has been managed in a way that is accountable and transparent and for the benefit of the entire business.

We appointed our Non-Executive Directors in 2024 to help guide the next chapter of growth for the business, many of who have supported the Group for several years as part of our Advisory Board before taking on formal appointments. Their insight, guidance and experience have been instrumental in enabling us to embed our new governance framework, successfully manage the CEO transition and execute the investment into Consult as successfully as we have.

“We remain passionately committed to driving change, delivering buildings, lasting value and outcomes that matter”

We chose the right people to steer us at a time when we required a careful focus on the stability and performance of the business as well as oversight of a global transaction. Now, understandably for some, their role with us is complete. Special thanks go to Nina Bjornstad and John Holland Kaye who stood down from the Board during 2026. Both have used their significant experience to make a meaningful contribution to our business at this exceptional time. I wish them well for the future.

Alongside the Board, our Committees have been a standout success in 2025, bringing focus, discipline and real value to how we govern. The People & Remuneration Committee made a particular impact on how we behave as a business, in a year when our colleagues experienced significant change due to the separation process. The People & Remuneration Committee provides oversight of executive reward through alignment with the business’ remuneration policies and strategies. It had strong non-executive engagement and provides constructive challenge to the executive on people matters such as gender and ethnicity pay levels and representation at senior levels. It also provides guidance on succession for critical roles and leadership pipeline, and monitors the culture of the organisation through engagement and pulse surveys. The People & Remuneration Committee has overseen the introduction of formal benchmarking and sign-off of reward proposals for Executive Board members, Group Executive Committee members and direct reports of these senior leaders, together with the definition and reporting on metrics to align reward with performance outcomes.

The Safety & Responsible Business Committee has held the leaders of our business accountable for performance on sustainability and safety in 2025. The Committee helped drive the business’ submission of an application for a science-based target, which is a significant step for Mace Group.

The role played by the Investment & General Purpose Committee has been particularly valuable. It provided guidance and oversight as we made major decisions, including about the future of our London headquarters and Mace Consult’s acquisition of North American business Turton Bond.

Our Tender Committee had a significant impact on selecting work winning opportunities, encouraging business leaders to target tenders and bids that comply with our golden rules and playbooks. By reviewing every tender or bid that fell outside these rules, it sharpened decision-making about the types of project we should be targeting. The benefits of this change are already being felt across the business.

With ambitions to be one of the most responsible operators in the industry, we have always worked hard to comply with our management systems, and we have maintained an uncompromising stance on anti-bribery, corruption and fraud, supported by robust policies and mandatory training. The activities of the Audit & Risk Committee and the work of our Group Internal Audit, Assurance and Risk Director were central to this effort in 2025.

Our effective management of risk across the business is something of which I am particularly proud in 2025. This has arguably been put to most effective use when separating the Construct and Consult businesses. A Separation Working Group for Construct and Digital Alignment Working Group in Consult successfully navigated this process, separating teams and working to separate systems and data successfully. The governance of this activity has been impressive, ensuring minimal disruption to operations on both sides while carefully managing the expectations of our people, our clients and our wider stakeholders.

2025 has been a year unlike anything we have navigated before. I am extremely proud that our approach to corporate governance played such an important part in guiding the business through a myriad of opportunities and challenges.

Our focus in 2026 has been on unlocking the full value of our UK construction business, improving productivity, mitigating risk, enhancing client outcomes, and diversifying into new sectors. Our majority independent Board and independently-chaired Board Committees have provided enhanced levels of oversight, constructive challenge and debate during an exceptionally complex year.

We aligned Mace Group to the UK Corporate Governance Code at a time when the business employed more than 7,000 people across the world and served as a strategic partner on some of the largest capital programmes in jurisdictions across the world. Our business is now much simpler. As a UK-only contracting business, Mace Construct is less risky, employs fewer people and has a much-reduced global regulatory footprint. Consequently, we plan to simplify our leadership and governance structures in 2027.

Where appropriate, we will continue to align with the principles of the UK Code of Corporate Governance. However, as a private business, we believe it will be more appropriate to adopt alternative, more agile and simpler arrangements in some areas.

We believe this approach is in the best interests of the business and its stakeholders and remain committed to our code of ethics, our behaviours, and our culture of compliance and risk mitigation.

The changes will be announced in the final quarter of 2026 and will provide Mace Group with the robust governance, effective decision-making and valuable independent oversight and scrutiny that will support its continued success.

Mark Reynolds CBE
Group Executive Chairman
26 October 2026

MACE GROUP BOARD



Mark Reynolds CBE
Group Executive Chairman
Board appointment: August 2001

In December 2024, Mark stepped down as Mace Group’s Chief Executive, a role he had held since 2013, maintaining the role of Executive Chairman which he has held since January 2022.

Mark has consistently championed change within the industry, driving innovation to improve service excellence while ensuring Mace continues to be a more productive, efficient and responsible company.

Mark gained his early experience in the commercial and aviation sectors and was the Deputy Programme Director for the London 2012 Olympic and Paralympic Games. He was instrumental in establishing the Mace early contracting offer, and led and established the Utilities, Nuclear and Infrastructure businesses, and Delivery Partner offer.

Mark has advised government departments and supported the UK Government on several advisory boards. He was appointed in June 2022 as Co-Chair of the Construction Leadership Council, alongside the UK’s Minister for Construction, to help lead the next steps of our industry’s transformation, and in March 2025 was announced as the Co-Chair of the new Construction Skills Mission Board to set up and oversee the UK Government’s construction workforce plan. Mark is also Vice-Chair of the Northern Powerhouse Partnership.

In December 2025 he was awarded a CBE for services to construction.



Jason Millett
Group Chief Executive Officer
Board appointment: January 2013

In January 2025, Jason was appointed CEO for Mace Group, following twelve months as Group Deputy CEO and prior to that CEO of Consult. He oversees the Group’s strategy, focus and performance.

Jason has over 35 years of construction industry experience across contracting, private financing, programme management and professional services. Jason is a Board member, client advisor and a proven strategic leader in the built environment and infrastructure sectors, including roles across Programme delivery, Health, Safety and ESG, Risk & Audit, People & Remuneration and Investment Committees.

Jason has led strategic, commercial and operational activities relating to complex client service delivery, specialising in all aspects of major programmes and infrastructure programme delivery. Jason led the inception of Mace’s major programmes and infrastructure offering in Consult and he took the business through a significant step-change to a global delivery organisation between 2013 and 2024. His contribution has been instrumental in the delivery of works of global, national and local importance.

Jason has held roles on the Department of International Trade’s Advisory Group for Investment and more recently the Global Britain Commission. He is a Fellow of the Chartered Institute of Building, the Royal Institute of Chartered Surveyors and the Association of Project Management.



David Allen
Group Chief Financial Officer
Board appointment: January 2023

David Allen is Mace’s Chief Financial Officer and is responsible for shaping and delivering the Group’s financial strategy.

David has more than 20 years’ experience in the built environment. Before joining Mace, he spent almost seven years at Wates Group, the majority as Chief Executive. Before this, he was Crossrail’s Finance Director and Finance Director of Laing O’Rourke’s European construction business. Before entering the construction industry, David worked for Accenture, HSBC Investment Bank and Arthur Andersen.

David is a Fellow of the Institute of Chartered Accountants in England and Wales and of the Institution of Civil Engineers. He is a Member of the Institute of Directors.



Dame Alison Nimmo DBE

Senior Independent Director
Chair of Safety & Responsible Business
Committee (during 2025)
Board appointment: January 2025

As Chair of the Mace Advisory Board since 2022, Alison joined the Mace Group Board when it was established in January 2025 and serves as Mace's Senior Independent Director. In 2025, she chaired the Safety & Responsible Business Committee and is a member of RemCo and NomCo.

With over 35 years' experience in the real estate sector, Alison currently sits on the boards of Cadogan. She's a commissioner of the Royal Commission for the Exhibition of 1851 and was a member of Imperial College London's Property Committee.

Prior to her role as Chief Executive of The Crown Estate, Alison led the design and delivery of the London 2012 Olympic and Paralympic Games venues as Director of Regeneration and Design at the Olympic Delivery Authority. Leading on sustainability and legacy, she worked closely with Mace throughout the project.

Alison's early career focused on leading major city centre regeneration projects in Manchester and Sheffield. Previous public company board roles have included Berkeley Group Plc and St Modwen Properties, and she was the lead Non-Executive in DLUHC.



John Holland-Kaye

Non-Executive Director
Board appointment: January 2025
Stood down: March 2026

As CEO of Heathrow Airport from 2014 to 2023, John played an instrumental part in transforming it into one of the world's leading airports. Joining Heathrow Airport in 2009 as Commercial Director and then Development Director responsible for delivering the £1bn annual capital programme, John was a key client for Mace for over a decade. He stepped into the role as one of Mace's Non-Executive Directors in January 2025, bringing with him his extensive expertise in leading major infrastructure projects. He is also Chair of Sizewell C.

John was previously Divisional CEO with Taylor Wimpey Plc, Managing Director National Sales for Bass Brewers and worked as a strategy consultant with LEK Consulting.

John is Chair of the Governors at Bedford School and a member of DEFRA's Council for Sustainable Business. He is also Chair of Sizewell C and Cadent Gas. John was previously a Non-Executive Director at Thames Water and Thames Tideway, and was a member of the Advisory Council of HM The King's Sustainable Markets Initiative, the Jet Zero Council and a commissioner with the Energy Transitions Commission.



John Coghlan

Non-Executive Director
Chair of Audit & Risk Committee
Board appointment: January 2025

John is the Senior Independent Director of Landmark, which was until recently a subsidiary of OCS Group. In December 2023, after more than nine years, he stepped down from the board of FTSE 100 Severn Trent, where he chaired both the Audit & Risk, and Treasury Committees. In November 2025 John stepped down as Chair of the Board of Hafren Dyfrdwy, its Welsh subsidiary.

John has previously been a Non-Executive Director and Audit & Risk Chair of OCS Group, the family-owned facilities management group and Associated British Ports, the UK's largest ports group, as well as other publicly and privately owned businesses.

He was also Group Vice Chair and Chair of Audit & Risk at Clarion Housing Group, one of the UK's largest housing associations. In his executive career he was the CFO and Deputy Chief Executive of the FTSE 100 logistics group, Exel.



Nina Bjornstad
Non-Executive Director
Chair of People and Remuneration Committee
Board appointment: January 2025
Stood down: March 2026

Nina has held several board and advisory positions in publicly listed and private companies across diverse business sectors that include technology, sustainable global construction, property tech (IoT) and telecommunications.

Prior to joining Mace, Nina was the Managing Partner of a private venture capital fund, investing in and supporting seed and early-stage technology companies in Europe and the US, in executive, board and advisory roles.

Nina has over 20 years of cumulative experience working for Dell, Amazon, Microsoft and Google, notable pioneers in leading-edge technology and evolving business models. Her career started in the US with Dell and Amazon, where she had a front row seat for the growth of the dot com wave, building internet businesses, designing for rapid technical expansion and providing disruptive market entry. Following Amazon, Nina spent 10 years at Microsoft in a variety of roles, from finance to corporate strategy, M&A, and product management in the US, UK and Scandinavia. She joined Google in 2014 as Country Manager for Google Cloud for UK and Ireland, where she led digital transformation in companies of all sizes.



Eric Hageman
Non-Executive Director
Board appointment: January 2025

Eric is a Dutch economist with an MBA from London Business School. Currently Group Chief Financial Officer at Telia Company AB, the leading Nordic and Baltic telecommunications group, he has extensive general and operational management, capital markets, mergers and acquisitions, and strategy experience.

He is a regular advisor to private equity firms and institutional investors on their portfolio investments, and sits on the advisory board of various companies in which he is an investor.

Prior to this, Eric was Group CFO of William Hill Ltd, where he was responsible for the successful sale to 888 Plc. He previously held the same role at a number of other leading listed companies including IWG Plc in Switzerland, TeleCity Group Plc in the UK and Royal KPN NV in the Netherlands. Eric started his career in London, working in M&A and corporate finance at Deutsche Bank and ABN Amro.



Sylvia Metayer
Non-Executive Director
Board appointment: January 2025

Sylvia Metayer is an experienced non-executive director, Board Chair and Committee Chair who currently sits on the boards of listed companies, including Groupe des Aéroports de Paris.

Having previously held roles at Mattel, Danone and Arthur Andersen, Sylvia brings her deep understanding of international markets, organisational performance and corporate sustainability to the new Mace Group Board.

Sylvia's most recent executive role was Chief Growth Officer at Sodexo, the global leader in food and facilities management. Before that she served as CEO of Sodexo's Worldwide Corporate Services, where she led their largest business unit employing more than 120,000 people in 60 countries.

Throughout her career, Sylvia has been passionate about transformation, people development, and creating inclusive and multi-cultural environments.

MACE GROUP EXECUTIVE COMMITTEE

ESTABLISHED 1 JANUARY 2025



Jason Millett
Group Chief Executive Officer

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Stephen Jeffery
COO for Construct and Group CTO

Stephen has been Group Chief Technical Officer since 2019, and in July 2024 was additionally appointed as Chief Operations Officer for Construct. He is responsible for operations and driving the business plan for the Engine. He also ensures that the Group delivers industry-leading technical capabilities across all of our projects and programmes.

Beginning his Mace journey in 1996, Stephen was responsible for setting up our internal MEP contracting business, Mace MEP. Our Group Technical Services team was established in 2017 and now includes service excellence; health, safety and wellbeing; compliance and audit; and internal management systems.

Alongside his role, Stephen oversees our specialist services internal divisions, and the Mace Business School, and is the GEC sponsor for health, safety and wellbeing and Mace Military Employee Resource Group.



Mandy Willis
Group Director for Corporate Strategy

In Mandy's role as Director for Corporate Strategy, she leads on governance, corporate structuring and all M&A activities that are critical to delivering the Mace strategy.

Mandy officially joined Mace in 2014 after supporting the Board as an external advisor on tax, shareholder and commercial matters for 14 years. Experienced in shareholder matters, corporate structuring, funding and high-level reward and incentivisation, Mandy was appointed in January 2017 to the Mace Executive Board as the Director for Corporate Strategy.

In 2025, Mandy was a member of the Investment and Tender Committees, the Development Board and the GEC, steering the agenda for capital investment, corporate structuring and governance. Mandy also acts as the Executive Sponsor for the Legal and Company Secretarial functions and for Women at Mace.



David Allen
Group Chief Financial Officer

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Amanda Baldwin
Chief People Officer

Amanda brings board-level experience across privately owned, professional services and FTSE-listed firms, with a strong reputation for partnering with Chairs, CEOs and Executive teams to deliver complex restructuring, separations and M&A activity.

As Chief People Officer at Mace, she has led international teams, strengthened succession and talent pipelines, advanced NED and board governance appointments, and established RemCo and NomCo structures that have supported the organisation through significant strategic change, including the Consulting business carve-out. She is known for pragmatic leadership, sound judgement, and the ability to drive clarity and alignment during periods of transition.

Her earlier career spans senior roles at DLA Piper, Deloitte and BP, alongside board and trustee experience with S&P Global, Invicta Law, and Commercial Services Group, further enhancing her commercial acumen and governance depth.

Recognised for building high-performing cultures, elevating leadership capability and enabling organisations to scale or reset with confidence, Amanda brings a blend of strategic insight, operational discipline and boardroom credibility valued by senior stakeholders.



Lee Penlington
Group Commercial Director

Since 2010, Lee has held overall commercial responsibility for Mace's construction and consultancy businesses.

Lee joined the business in 1999 with a remit to help develop a 'fixed price' offer within the business, and as such was a founding director of Como – the original name of Mace's fitout business.

Lee has been involved in the delivery of a number of high-profile projects and has helped fixed price revenues to grow to in excess of £2bn.

Lee is GEC sponsor for the Group Procurement and Supply Chain Management teams.



Michelle Barkess
Chief Information Officer

As Chief Information Officer, Michelle leads Mace's digital strategy, ensuring that innovation remains top of the agenda.

Prior to joining Mace in 2018, Michelle spent more than 20 years leading digital transformation for major retailers. Over the last six years Michelle has developed Mace's digital infrastructure to enable the business to operate globally with agility, effective governance and security. Under Michelle's leadership, her team has implemented a global ERP system, taking a cloud first approach to digital solutions, that is enabling Mace to leverage generative AI and utilise technologies that provide Mace people with enhanced career opportunities.

In 2024, Michelle led the development of Mace's digitalisation strategy which will transform how Mace delivers the built environment by creating a fully connected, digitally led proposition.

Board gender diversity



■ 33.3% female
■ 66.6% male

Executive Committee gender diversity



■ 42.9% female
■ 57.1% male

CORPORATE GOVERNANCE STATEMENT

Mace Finance Limited, as subject to The Companies (Miscellaneous Reporting) Regulations 2018, has adopted the UK Corporate Governance Code (the ‘Code’) to guide and describe its corporate governance arrangements for the year ended 31 December 2025

The governance arrangements described in this report reflect how the company has applied the Code and explain any areas where it has deviated from it.

Board composition

The directors who served during 2025 and up to the date of signing these financial statements were as follows.

		Appointed	Resigned
Mark Reynolds, CBE	Group Executive Chairman		
Jason Millett	Group Chief Executive Officer		
David Allen	Group Chief Financial Officer		
Dame Alison Nimmo, DBE	Senior Independent Non-Executive Director	1 January 2025	
Nina Bjornstad	Independent Non-Executive Director	1 January 2025	31 March 2026
John Coghlan	Independent Non-Executive Director	1 January 2025	
Eric Hageman	Independent Non-Executive Director	1 January 2025	
John Holland-Kaye	Independent Non-Executive Director	1 January 2025	31 March 2026
Sylvia Metayer	Independent Non-Executive Director	1 January 2025	

No shares were granted to executive directors in 2025. New contracts and incentive scheme documents include malus and clawback provisions, and notice periods for executive director contracts do not exceed 12 months. Only basic salary is pensionable.

Each of the independent non-executive directors (‘iNEDs’) was determined by the Board to be independent on appointment. The independence of the iNEDs was considered prior to their appointment and in light of the generally accepted criteria around independence. The Advisory Board appointments were non-executive and not as Directors of the company. Whilst a fee was payable, this was in recognition of their time commitment in serving as a member. No remuneration was payable. It was viewed that these appointments did not prejudice the MFL iNEDs independence on appointment.

The scope of the Advisory Board was more limited than that of the MFL Board and the executive MFL Board members were comfortable that determining such iNEDs to be independent was appropriate. iNEDs receive fees based on the services they render to the Mace Group. They do not receive share options or other performance-related elements. Additional remuneration is occasionally provided on a discretionary basis where there is a significant additional time commitment to the business over a sustained period.

Accordingly, from the beginning of 2025 and as stipulated in the UK Corporate Governance Code, the majority of the Board is comprised of independent non-executive directors.

During the entirety of 2025, the gender diversity of the Board was 33.3% female and 66.6% male. As of the date of this report, the gender diversity of the Executive Committee stood at 28.6% female and 71.4% male.

The biographies of the Board members are shown on pages 70 to 72.

Compliance with the UK Corporate Governance Code (the 'Code')

The Board supports the principles of the Code and has implemented the Code during 2025 in a manner that it deems appropriate to Mace's nature, scale, ownership structure and legal form.

The latest version of the Code was published in January 2024 and is applicable to accounting periods beginning on or after 1 January 2025. Provision 29 will apply from 1 January 2026. Copies of the Code can be obtained from the FRC's website at www.frc.org.uk.

Private companies are not required to comply with the UK Corporate Governance Code or to explain any departures from it. However, given the scale of the Group and the commitment of Mace's senior leadership to strengthening risk management, enhancing independent oversight and embedding more robust governance practices, it was decided to apply the Code. Adopting the principles of the Code reinforces transparency and builds trust with stakeholders, aligning Mace's governance approach with recognised best practice.

The Board has reviewed the appropriateness of each provision of the Code to determine whether it should be applied or if a departure is appropriate. The provisions of the Code have been applied as part of Mace's corporate governance framework with the following exceptions.

Provision 3 recommends that, in addition to formal general meetings, the Chair should maintain regular engagement with major shareholders to understand their views on governance and the delivery of the Group's strategy. Committee Chairs are likewise expected to engage with shareholders on significant matters within their areas of responsibility. Given Mace's ownership structure and the Board's composition, there is already a strong alignment of interests among shareholders and their representatives. In practice, Committee Chairs engage directly with the Chair, who acts as a conduit for the views of other shareholders. The Chair meets regularly with shareholders to brief them on the performance of the business and the key risks and opportunities to which it is exposed; this ensures that shareholders' views are understood and reflected in Board discussions.

Provision 4 requires Boards to explain, when announcing voting results, what actions they intend to take to consult shareholders when 20% or more of votes are cast against a resolution recommended by the Board.

The Board must later provide a summary – typically in the next annual report and, if relevant, in the explanatory notes to subsequent resolutions – outlining the feedback received, the impact it had on Board decisions and any resulting actions or proposals. As a private company, Mace is not required to publish voting results. Its shareholder structure means that resolutions are approved directly by the shareholders, a number of whom hold senior management roles in the business. Before resolutions are submitted to the shareholders, the Chair engages with them to ensure they are briefed on and understand any matter requiring approval. This ensures that all decisions taken through shareholder resolutions are already aligned with the best interests of the Company. All matters approved by shareholders during 2025 were approved unanimously by those shareholders entitled to receive notice of, and vote on, a resolution.

Provision 5 requires the adoption of one or more formal methods of engaging with the workforce. Mace has not used the specific mechanisms suggested in the Code. Instead, we have established a range of alternative approaches to ensure meaningful engagement. These include: a People & Remuneration Committee, which is led by a non-executive director and operates with a broader remit than a traditional Remuneration Committee; regular all-employee and pulse surveys to monitor engagement and wellbeing; six Employee Resource Groups, which provide representation and give a voice to specific employee communities; regular employee townhalls, leadership briefings and 'meet the executive' sessions; and a structured employee consultation process that was implemented in the lead-up to the carve-out of Mace Consult.

Provision 9 recommends the independence of the Chair on appointment against the criteria set out in Provision 10. It requires that the roles of the Chair and the Chief Executive be kept separate, with their respective responsibilities formally defined and documented. This separation ensures that no individual has unfettered decision-making power and that the leadership of the Board is distinct from the day-to-day management of the business. Despite not meeting the Code's independence criteria, the Board and shareholders agree that Mark Reynolds remains the right choice as Chair due to his deep understanding of the Group, its culture and its long-term strategic priorities. His extensive experience within Mace and his role as a major shareholder ensure strong alignment with the Company's purpose and the interests of its owners.

The Board's work is guided by experienced independent non-executive directors and clearly defined roles and responsibilities. This allows Mark to bring continuity, strategic insight and proven leadership to his work as Chair, while maintaining the effectiveness and balance of the Board.

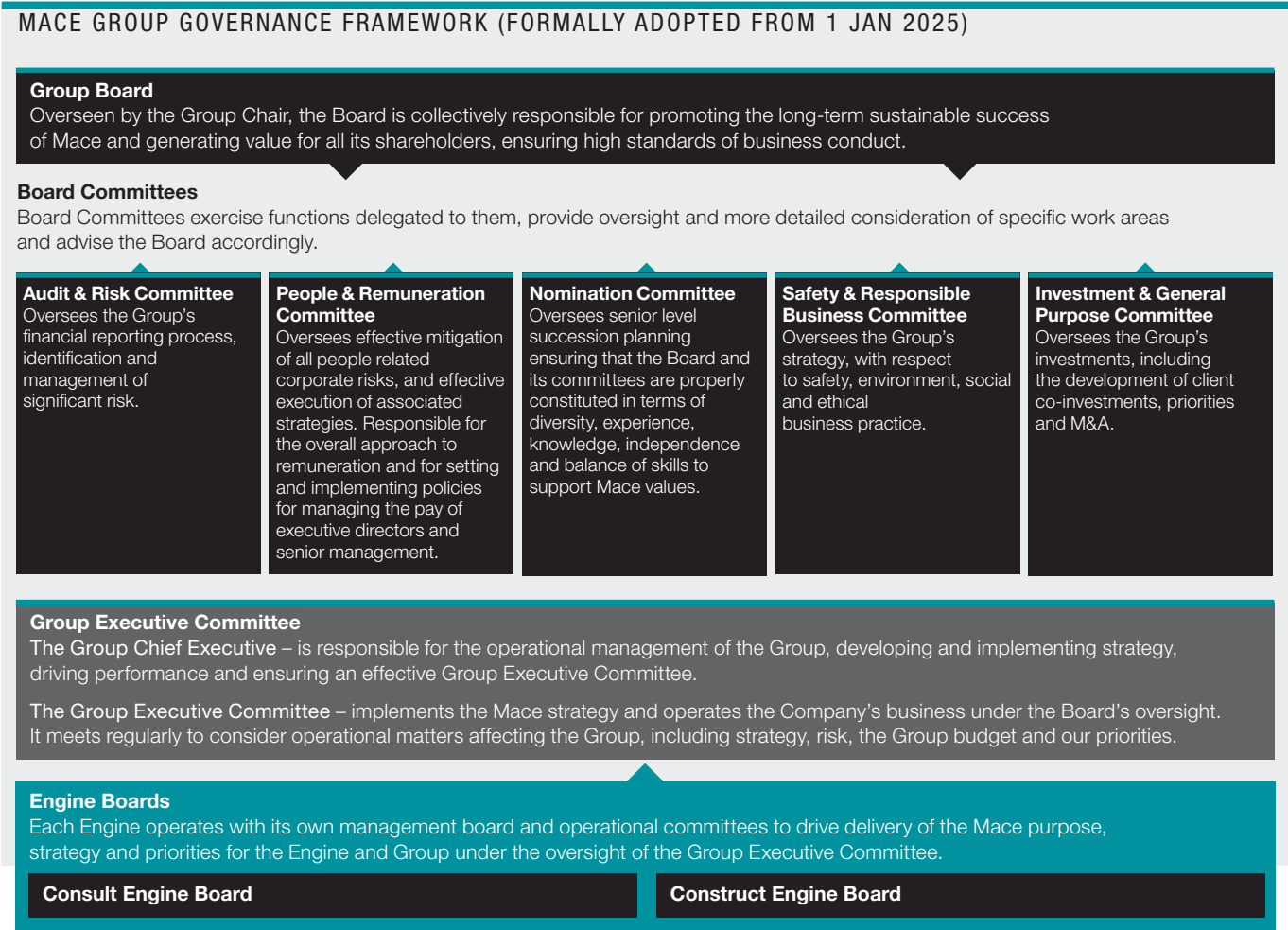
Principle L (and accompanying Provision 21 and 22) requires holding an annual evaluation of the Board to consider its performance, composition, diversity and other factors. Mace has not conducted an annual evaluation during 2025 as this was the first year of operation under the Code. It has conducted a review of its first year of operation in early 2026. This will inform choices about the future composition and operation of the Board.

Principle M states that the Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements. Forvis Mazars act as fully independent external auditors, providing objective assurance over the integrity of both financial and narrative reporting. However, Mace's internal audit function does not meet the UK Corporate Governance Code's expectation of independence, as internal audit activity is overseen and performed only by the Group Internal Audit, Assurance and Risk Director. During FY2025, the formal internal audit policies and procedures required under Principle M were not yet fully in place. The Board acknowledges this non-compliance and confirms that the establishment of a fully defined internal audit framework is part of the enhanced governance arrangements that are being implemented during 2026.

The Directors have considered Provision 31 of the Code relating to the assessment of the Company's prospects. Having regard to the Company's status as a privately-owned business, its track record in managing the inherent uncertainties of long-term contracting successfully and the Board's established approach to risk management, the Directors have concluded that an assessment of the Company's prospects over a period of 12 months from the signing of these financial statements provides shareholders and other stakeholders with the most meaningful and proportionate disclosure relating to the Company's financial resilience.

Board and committee structure

Governance at Mace is defined as the business system and architecture that organises activities so we can fulfil our purpose of redefining the boundaries of ambition. The Corporate Governance Framework, owned by the Board, defines the role of the Board and its supporting committees. Detailed terms of reference are maintained for the Board and its committees. These outline the committee's principal duties, authority and matters that remain reserved to the Board for decision.



From 1 January 2025, the Board was repositioned to focus more on strategic matters. It formally established an Audit & Risk Committee, People & Remuneration Committee, Nomination Committee, Safety & Responsible Business Committee and Investment & General Purpose Committee. Each of these committees has formal terms of reference agreed by the Board. Diagrams of the arrangements that applied from 1 January 2025 are shown above. The membership of each committee during 2025 was as follows:

Audit & Risk Committee	People & Remuneration Committee	Nomination Committee	Safety & Responsible Business Committee	Investment & General Purpose Committee
John Coghlan (Chair)	Nina Bjornstad (Chair)	Mark Reynolds (Chair)	Alison Nimmo (Chair)	Mark Reynolds (Chair)
Eric Hageman	John Holland-Kaye	Nina Bjornstad	John Holland-Kaye	David Allen
Sylvia Metayer	Alison Nimmo	John Holland-Kaye	Sylvia Metayer	Jason Millett
		Alison Nimmo		Mandy Willis

From 1 January 2026, the Board adopted a further change to its committee structure. From this date, the Safety & Responsible Business Committee ceased to be a Board committee and its responsibilities were subsumed across a number of executive-level committees. The Board retains oversight over safety and responsible business matters through the reporting it receives.

Group Executive Committee (GEC)

The Board delegates day-to-day management of the business and implementation of strategy to the Group Chief Executive. From 1 January 2025, the Group Chief Executive established a Group Executive Committee (GEC) as a successor to the Mace Executive Board. It is an executive forum comprising members of senior management that support the Chief Executive's management of the Group. The composition of the GEC is as follows:

Group Executive Committee (GEC)

Jason Millett
Chair and Group Chief Executive

David Allen
Group Chief Financial Officer

Davendra Dabasia
Chief Executive Officer – Consult (stepped down post separation)

Stephen Jeffery
Chief Operating Officer – Construct and Chief Technical Officer

Amanda Baldwin
Group Chief People Officer

Mandy Willis
Group Strategy Director

Lee Penlington
Group Commercial Director

Michelle Barkess
Chief Information Officer

The biographies of the GEC members are shown on pages 73 to 74.

Board and committees meeting attendance and frequency

Directors Attendance	Quarterly Board	Board (ad-hoc)	Audit & Risk Committee	People & Remuneration Committee	Nomination Committee	Safety & Responsible Business Committee	Investment & General Purpose Committee
David Allen	4	7					7
Nina Bjornstad	4	6		7	2		
John Coghlan	4	7	4				
Eric Hageman	4	7	4				
John Holland-Kaye	4	7		7	2	4	
Sylvia Metayer	4	7	4			4	
Jason Millett	4	7					7
Alison Nimmo	4	7		7	2	4	
Mark Reynolds	4	7			2		7

Taxes contributed in 2025

Taxes contributed in 2025	£000s
Corporate income tax payments/(receipts)	17,135
R&D credit	(15,269)
Employment related taxes	56,642
Irrecoverable withholding taxes expensed in the year	588
Other taxes	1,951
Taxes deducted/collected for the government (in addition to taxes borne above):	
Employment related taxes	128,980
CIS	491
VAT	471,455
International withholding taxes paid on supplier invoices	9,819
Total tax contribution (taxes generated from Mace Group activity)	678,708
Government grant income received	(212)
Total tax contribution net of government grants received	678,496

Stakeholders

Mace Group continued to engage with stakeholders throughout the year as disclosed in the section 172 Statement on page 20.

The business has held the Fair Tax Mark since 2020 and is committed to paying all taxes due promptly and on the basis of transparent reporting.

External reporting

In addition to our Annual Report, we regularly publish information, including our business payment practices and performance. We published our annual UK Inclusion Pay Gap report, including voluntary disclosure of our ethnicity pay gap data, in September 2025.

External auditor

Forvis Mazars LLP was reappointed to conduct the 2025 audit.

As a private company, the Mace Group is not subject to external restrictions in terms of non-audit work provided by the external auditors, but for good governance has chosen to implement its own policy in relation to the level of their remuneration and the extent of their non-audit services.



AUDIT & RISK COMMITTEE

John Coghlan
Chair

The Audit & Risk Committee (the 'Committee') was established as a non-executive committee of the Board in January 2025 succeeding a predecessor executive Audit & Risk Committee.

From this date, all of its members were independent non-executive directors, which represents a major evolution in Mace Group's oversight of risk and financial matters. The Committee met four times during the year, in February, May, September and December, and operated throughout in accordance with its terms of reference. The Committee continued to support the Board in fulfilling its responsibilities for financial reporting, internal control, risk management, compliance, assurance, and the oversight of internal and external audit activities. The year was characterised not only by bedding in the Committee and the annual financial reporting cycle but also by the significant organisational demands associated with the demerger and sale of Mace Consult, which required heightened vigilance from the Committee.

Group financial reporting

The Committee devoted substantial attention to the integrity of the Group's financial reporting. Throughout 2025, it reviewed the key accounting judgements and estimates underpinning the financial statements and assessed management's application of relevant accounting standards. During the February and May meetings, the Committee considered Forvis Mazars' planning, progress updates and completion reporting for the 2024 statutory audit. The Committee examined management's Going Concern assessment and agreed that no material uncertainties existed at the time of signing. The Annual Report and Accounts for 2024 were recommended to the Board following a detailed review.

Demerger financial reporting

As the demerger advanced, the Committee's scrutiny of financial reporting became increasingly focused on the presentation of discontinued operations, the appropriate re-presentation of comparative information and the accounting requirements associated with the separation of Mace Consult. During the September and December meetings, the Committee reviewed updated Accounting Matters Reports that addressed matters such as goodwill, provisions, the Botley JV,

and the financial effects of the planned disposal. It monitored the development of IFRS 18 and its implications for future disclosures. It also examined the clarity, coherence and accuracy of the draft Annual Report narrative to ensure that emerging risks, organisational change and accounting judgements were accurately reflected.

External auditing

The Committee oversaw the performance, independence and effectiveness of the external auditor throughout 2025. In September, it reviewed an assessment of Forvis Mazars' audit performance for 2024 and welcomed improvements in timetable discipline, constructive challenge and collaboration. The Committee was happy to recommend Forvis Mazars' reappointment to the Board for shareholder approval. In December, the Committee reviewed Forvis Mazars' Audit Strategy Memorandum for 2025, which addressed the revised scoping associated with discontinued operations, re-presented comparatives and the extensive associated accounting required.

Construction contracts revenue recognition

The recognition of revenue and profit for construction contracts requires substantial judgement, primarily due to the complexities associated with estimating final costs on ongoing contracts and managing contract variations that are frequently resolved during final account negotiations. The Committee evaluated the consistency and suitability of the Group's accounting policies and the impact of IFRS 15 on profit and revenue. This included a review of several major contracts, focusing on management's critical judgments and the related external audit processes. The Committee agreed with management's assessment regarding these contracts and the corresponding revenue recognition.

Internal audit, assurance and controls

Internal audit, assurance and control matters occupied a significant proportion of the Committee's time. Due to resource demands created by the demerger and other matters, the approved Internal Audit Plan for the year could not be delivered in full, and the Committee considered at length the impact on the overall control environment and mitigations.

Delivering a robust internal audit environment is a priority for 2026. Across all meetings, the Committee considered management's responses to internal control findings, acknowledging progress made but reiterating its expectation around continued improvement around controls and assurance.

Risk management framework and culture

The Committee continued to oversee the Group's risk management framework and the development of risk culture across the business. Throughout the year, it received detailed updates on principal risks, engine-level risks and risk transformation activities. During the first half of the year, the Committee reviewed the reconfiguration of the riskHive system and the initial steps taken to strengthen risk analytics. In the second half of the year, following a comprehensive reassessment with risk owners, the Committee noted heightened cybersecurity, data-protection, and health and safety risks, alongside pressures arising from market conditions and workforce capacity. Recognising the impact of demerger activity, the Committee endorsed the designation of Business Change and Transformation as a new principal risk, reflecting the scale of change associated with this programme. It also oversaw the progression of new operational resilience initiatives, including the commissioning of cyber-focused tabletop exercises to address heightened exposure during the transition period.

Compliance and regulatory oversight

Compliance and regulatory oversight also featured prominently in the Committee's work. The Committee examined updates on whistleblowing and noted that report volumes remained materially below industry benchmarks. While the Group's framework was assessed as sound, the Committee stressed the need for strong cultural awareness and communication to ensure that employees felt confident raising concerns. The Committee also oversaw the Group's preparations for the new corporate offence of Failure to Prevent Fraud under the Economic Crime and Corporate Transparency Act. This work included updates to the Anti-Fraud Policy, mandatory e-learning and a consultant-led maturity assessment designed to strengthen fraud-risk governance across the business.



NOMINATION COMMITTEE

Mark Reynolds CBE
Chair

Audit & Risk Committee Continued

Group finance transformation programme

The Committee received regular reports on the Group's finance transformation programme, designed to enhance the Group's control environment. The Committee reviewed progress in enhancing the reconciliation environment and the automation of key activities.

Demerger oversight

The demerger of Mace Consult itself required substantial oversight, given its significant implications for financial reporting, controls, risk management, data governance and operational resilience. The Committee monitored progress on contract novations, regulatory approvals, transitional service arrangements and financial-reporting changes.

Terms of reference

During the year, the Committee reviewed its own terms of reference and recommended amendments for Board approval. It also oversaw improvements to its forward-looking agenda and ensured that both internal and external auditors had unrestricted access to the Committee. The Committee held private sessions with the external auditor without management present, ensuring that open dialogue and independent challenge could take place as required.

Conclusion

In conclusion, 2025 was an exceptionally challenging year for the Committee and for the Group, driven by the combination of the annual financial cycle, the demands of the Mace Consult demerger activity and the pressures placed on finance, internal audit and risk resources. Despite this, the Committee is satisfied that it maintained robust oversight of the Group's financial reporting, controls, risk management and assurance environment. The Committee acknowledges the considerable effort and professionalism demonstrated by management, internal audit, the risk and compliance teams and Forvis Mazars. Looking ahead to 2026, the Committee will remain focused on strengthening the Group's control environment, internal audit effectiveness and supporting the organisation in its next chapter.

The Nomination Committee (the 'Committee') was established in January 2025 to provide oversight of succession planning for both the Board and senior leadership.

The Nomination Committee operated throughout 2025 in accordance with its terms of reference, which mandate the Committee to oversee succession planning for the Board and senior leadership, ensure the development of a diverse and suitably skilled leadership pipeline, and maintain the effectiveness of governance structures across Mace Finance Limited and the wider Group. The Committee is responsible for ensuring that the Board and senior management teams possess the experience, balance, independence and capability necessary to support the Group's strategic aims and long-term sustainable success. The Committee met twice during the year.

Senior leadership succession planning

A major area of focus for the Committee in 2025 was succession planning for senior leadership roles, particularly in the context of the Group's prospective sale of the Mace Consult business. The Committee's remit also includes oversight of Board composition, skills, independence and diversity. In December 2025, the Committee undertook a detailed review of UK Corporate Governance Code compliance. The Committee also reflected on the future governance arrangements and recommended to the Board the Audit & Risk Committee, People & Remuneration Committee and Nomination Committee should continue in their existing forms but supported the proposal that the Safety & Responsible Business Committee be reconstituted as an executive committee.

Throughout 2025, the Committee discharged its responsibilities effectively and provided important oversight during a period of significant organisational transition. It ensured that succession planning, governance design, Board composition and senior talent development remained active areas of focus and that the Group was well positioned to maintain strong governance and leadership integrity as it enters a new chapter.



PEOPLE & REMUNERATION COMMITTEE

Nina Bjornstad
Chair

The People & Remuneration Committee (the 'Committee') was established in January 2025 to strengthen the oversight of the Group's people strategy, executive remuneration and wider workforce matters.

Throughout its inaugural year, the Committee met seven times, and maintained a strong focus on ensuring that the Group's remuneration structures remained aligned with long-term strategic objectives, supported talent retention, and reflected the principles of fairness, transparency and good governance. The Committee also ensured that the Group's people-related policies and practices foster a high-performing, inclusive, and values-led culture to encourage collaboration and continuous improvement. The year has been one of dynamic organisational change, where the Committee has worked to support the evolving direction, which was fast-paced in driving a new way forward for the Group's future. Our journey as a first-year People & Remuneration Committee featured insightful dialogue, lively debate, and a shared drive to make a meaningful contribution to the business and colleagues.

In February 2025, Willis Towers Watson (WTW) was formally appointed as the remuneration advisors to the Committee, enhancing expert guidance available to the Committee to address some complex issues to support an organisation in change transition. In discharging its duties, the Committee has been ably supported by the Group Chief People Officer, the wider HR function and WTW. WTW is independent of the Group and the Directors in their role as remuneration advisors.

Executive remuneration and incentive framework

The Committee undertook a comprehensive review of the Group's executive remuneration framework to ensure continued alignment with market practice and the Group's evolving strategic ambitions. This included confirming annual salary adjustments for senior leaders, approving discretionary payments where appropriate, and scrutinising the overall affordability of remuneration outcomes against business performance.

The Committee monitored and ensured the operation of the annual bonus and long-term incentive arrangements, maintained a clear

link to financial performance, safety, environmental impact, engagement and diversity measures. The Committee also approved the pay of the Executive Directors. Particular attention was paid to how judgement and discretion was applied to maintain fairness and reinforce the Group's performance culture as well as providing assurance that decisions were commercially sound and reflected the Group's values and expectations.

Annual pay review and workforce pay

The Committee reviewed outcomes from the 2025 annual pay review to ensure consistency of approach, differentiation based on performance and alignment with budgetary parameters. The Committee oversaw the application of market-aligned pay ranges and monitored the treatment of promotions and merit awards to ensure fairness and consistency across the workforce. The Committee also examined pay positioning for emerging talent, with a focus on maintaining competitiveness in attracting and retaining the next generation of leaders. Annual bonus recommendations for performance year 2025 were also reviewed and tested to ensure the reward strategy of recognising high performance was reflected in decision-making.

Succession planning and talent development

The Committee oversaw the Group's succession planning activity for the most senior leadership roles. This included reviewing indicative talent pipelines, considering bench strength in critical areas, and ensuring that the Group has a plan for developing leaders with the skills needed for the next phase of growth. The Committee monitored progress on leadership development initiatives and supported proposals aimed at accelerating high-potential talent and strengthening succession for senior operational and corporate roles.

Diversity, equity and inclusion (DEI)

The Committee reviewed the Group's DEI ambitions and objectives and much progress has been made, with a particular focus on increasing gender and ethnicity representation at senior levels. This included assessing improvements made in gender and ethnicity pay gaps, monitoring changes in workforce

composition, and overseeing initiatives to promote fairness, reduce under-representation and improve the quality of workforce data. The Committee supported targeted recruitment and progression strategies designed to enhance representation within senior leadership and to embed diversity within the broader talent pipeline.

Culture, engagement and employee experience

During the year, the Committee considered the Group's ongoing work to strengthen a positive and high-performance culture and enhance the employee experience. This included reviewing insights from employee engagement activity and examining the continued development of the Employee Value Proposition (EVP). The Committee emphasised the importance of employee wellbeing, pride, connection and belonging as core components of the Group's culture and reputation, and monitored how these themes informed people-related decision-making and will help shape the EVP as the new brand is developed.

Pensions, benefits and people policies

The Committee continued to oversee the Group's pension and benefits arrangements and ensured that critical work during the separation, to transition employees to new plans, was managed effectively, with supportive and informative communication for employees. The Committee also reviewed updates to key people policies, including those introduced to support new legislation such as around sexual harassment, and ensuring alignment with regulatory requirements and best practice.

Conclusion

The Committee is satisfied that the remuneration and people-related decisions made during 2025 support the long-term success of the organisation to reinforce a performance-driven and inclusive culture, and remain aligned with stakeholder expectations. Looking ahead, the Committee will continue to review remuneration structures, talent pipelines and workforce dynamics to ensure that they remain fit for purpose as the Group enters its next phase of strategic development.



SAFETY & RESPONSIBLE BUSINESS COMMITTEE

Dame Alison Nimmo DBE
Chair

The Safety & Responsible Business Committee (the 'Committee') was established as a non-executive committee of the Board in January 2025 with a mandate to oversee environmental, social and governance matters across the Group, including the development and implementation of the responsible business strategy, the monitoring of ESG performance, and the oversight of Group-wide health, safety and wellbeing standards. Its authority and remit were set out in the terms of reference adopted by the Board.

Throughout 2025, the Committee held four meetings to provide detailed scrutiny, challenge and guidance to management across a range of ESG and safety-related matters, reflecting the significant volume of organisational change and the operational complexity faced by both the Construct and Consult businesses.

ESG and responsible business strategy development

From the outset of the year, the Committee focused on the continuing development of a coherent ESG and Responsible Business Strategy that would support the Group's long-term sustainable success. It reviewed the evolving strategies for both Mace Construct and Mace Consult in the context of the planned business separation and emphasised the importance of ensuring that each business maintained clearly defined sustainability objectives, adequate resourcing and robust governance frameworks. The Committee noted the growing importance of climate-related risks and asked management to strengthen the integration of nature, biodiversity and circularity into future strategic plans. It also discussed the increasing relevance of climate adaptation, noting that asset and infrastructure resilience would need to feature more prominently in business planning as global temperatures continued to rise.

The Committee also noted biodiversity as an increasing consideration, with regulatory expectations around Biodiversity Net Gain continuing to strengthen. Future projects will need to embed nature-positive design principles from the outset, ensuring that developments not only minimise ecological harm but actively enhance habitats and support local ecosystems. This will involve continued investment in tools, data and partnerships that enable more robust biodiversity assessments, alongside clearer pathways for delivering measurable improvements.

In terms of Mace's broader social impact, the Committee recognises the importance of continuing to contribute meaningfully to the communities we operate in. Our social impact strategy focuses on improving lives in the communities where we operate, with targeted initiatives that support skills development, local employment, inclusive growth and meaningful community partnerships. A particular focus is offering valuable opportunities for young people from under-represented communities by sharing our resources and skills to advance social equity and mobility.

Health, safety and wellbeing oversight

The oversight of health, safety and wellbeing (HSW) remained at the core of the Committee's responsibilities. Our AFR remains among the strongest in the industry, but we recognise that this does not mean we are without challenges and that we must continue to increase our efforts to reinvigorate our commitment to ensuring everyone goes home safe and well. As a result, the Committee engaged in extensive review and scrutiny of HSW performance and was briefed on several serious incidents, including a fatality in the UK. These incidents had significant effects on lost-time statistics and prompted detailed discussion on root causes and systemic issues.

It emphasised the need for stronger leadership engagement and a renewed focus on behavioural change, supported by more visible accountability from senior operational teams. The Committee also considered the critical role of the supply chain in safety performance, recognising that although head contractors were generally compliant, weaker competence and oversight within extended supply chains continued to present risks. It encouraged management to enhance induction processes, increase inspections and introduce improved digital tools for tracking competence and compliance.

Health, safety and wellbeing strategies development

During the year, the Committee also oversaw the development of new HSW strategies for both businesses, reflecting the differing operational risk profiles of Construct and Consult. Work continued on simplifying and updating standards, reviewing occupational health risks such as musculoskeletal disorders, dust exposure and mental health, and assessing the most effective structure for future HSW governance post-separation. The Committee encouraged the exploration of digital transformation within HSW functions and welcomed early work on the use of AI-enabled tools to support lessons-learned processes and enhanced risk identification.

Safety performance review

The Committee reviewed Consult's safety performance in detail, including its global standards, its involvement in bid governance, and its position as a key advisory partner on high-risk international programmes. It was briefed on multiple serious incidents in Peru, the Philippines and on major programmes such as the HSBC IPMO framework. These briefings included lessons learned and the actions implemented to improve safety and client engagement. It also reviewed the results of Consult's wellbeing survey, noting that the business had exceeded its wellbeing index target and instructing management to revisit and strengthen future targets accordingly.

KPI development

A significant portion of the Committee's work involved overseeing the development of key performance indicators for both Mace Construct and Mace Consult. These included targets related to client carbon savings, diesel elimination, supply chain readiness for net-zero commitments, and measuring value to society. The Committee reviewed progress against these measures and recognised the challenges associated with data quality, methodological consistency and the practicalities of collecting carbon data across diverse international portfolios. It supported the continued rollout of sustainability training and encouraged greater integration of sustainability expectations within career development frameworks across the two businesses.

Net zero ambitions review

The Committee devoted considerable time to reviewing the Group's progress towards its net zero ambitions. During the year, members received detailed updates on Science-Based Targets initiative requirements for both Construct and Consult, noting that new SBTi guidance meant that Construct would be required to disclose full Scope 3 emissions, while Consult would continue to develop its own, more proportionate approach focused on operational and travel-related emissions. The Committee recognised the importance of ensuring that both Mace Construct and Mace Consult progressed with target-setting at an appropriate pace and agreed that authority should be delegated to the Committee to approve the final submissions in order to meet external deadlines. It also encouraged the continued development of credible long-term carbon transition plans, supported by appropriate governance and resourcing.

Modern slavery compliance

Beyond HSW oversight, the Committee continued to oversee progress on modern slavery compliance, whistleblowing and ethical supply chain governance. It reviewed the Group's Modern Slavery Statement and assessed the adequacy of reporting mechanisms, while acknowledging the low number of whistleblowing cases reported. The Committee also received updates on the Group's EcoVadis assessment and encouraged action to address identified areas of weaker performance, particularly within Construct, where further work was needed to strengthen ESG-related procurement processes and ensure alignment with client expectations.

Building Safety Act obligations

The Committee paid close attention to the Group's obligations under the Building Safety Act. It received updates on the challenge of identifying historic projects that fell within the new 30-year record-retention requirement, the difficulty of accessing older archived records, and the need to improve systems supporting compliance. It agreed that Building Safety Act risks should be escalated to the Audit & Risk Committee, given the implications for legal compliance and liabilities.

Transition to new governance structure

Throughout the year, meetings were well attended by senior leaders from across the Group, including sustainability, health and safety, procurement, digital and operational functions. In December, the Committee noted that this was likely to be its final meeting in its current form and discussed the transition to a new governance structure in which safety and responsible business matters for Construct would be overseen by a Construct-only Committee attended by the relevant executive directors. It was also agreed that sustainability reporting and performance oversight would be transferred to the new Board structure following the separation.

Conclusion

Over the course of 2025, the Committee discharged its responsibilities diligently and provided comprehensive oversight of ESG, safety and responsible business matters during a period of significant organisational and operational change. Through rigorous challenge, careful review of performance data, and sustained focus on long-term sustainability and safety outcomes, the Committee contributed meaningfully to the development of stronger governance structures for the future Construct and Consult businesses. It will continue to play a central role as the Group completes the separation in 2026, ensuring that each business maintains a strong and resilient approach to safety, sustainability and responsible business practice. To provide continued transparency and maintain oversight and strategic focus on these critical areas, Responsible Business and Health, Safety and Wellbeing will be reported to the Board on a regular basis going forward.



INVESTMENT & GENERAL PURPOSE COMMITTEE

Mark Reynolds CBE
Chair

The Investment & General Purpose Committee (the 'Committee') was established in January 2025 to assist the Board of Mace Finance Limited in fulfilling its responsibilities for investment strategy, major capital deployment, acquisitions and disposals, and oversight of transformational programmes.

Throughout 2025 the Committee met regularly, in accordance with its terms of reference, to review strategic investment proposals, monitor the performance of in-flight projects, approve or recommend major transactions, and provide rigorous oversight and challenge to management. It met seven times during the year, reflecting the extraordinary nature of 2025.

Oversight of investment strategy

The Committee is responsible for advising the Board on the Group's investment policy and strategy and ensuring that investment decisions align with the Group's long-term objectives. Throughout 2025 the Committee reviewed the Group's strategic investment priorities at each meeting. Early in the year, members considered the 2025 Investment Focus, receiving updates on major programmes covering aspects such as finance systems transformation and cybersecurity enhancements and property strategy.

Investment performance review

The Committee reviewed ongoing investment performance in detail, noting areas of underspend and emphasising the importance of clear benefit realisation. The Committee also approved the investment strategy and budget for 2026.

Capital investment and major infrastructure decisions

In line with the Committee's remit to oversee capital expenditure and major property projects, the Committee undertook detailed scrutiny of the Group's office estate strategy throughout the year. By year-end, the Committee had approved a revised estate strategy. The Committee approved capital expenditure budgets and the investment strategy for 2026.

Acquisitions, disposals and major transactions

The Committee holds delegated authority to approve certain acquisitions, disposals, and capital investments in line with delegated authorities approved by the Board. Where any matter exceeds the Committee's authority, it will be recommended to the Board for approval. The acquisition of Turton Bond was the most significant transaction considered during the year, which was recommended to the Board and subsequently approved.

Mace Consult sale

The Committee played an active role in monitoring costs associated with the prospective sale of Mace Consult. Members received updates on transaction fees, disposals, restructuring implications and digital carve-out constraints.

Oversight of in-flight programmes and digital transformation

The Committee received regular updates on major digital transformation programmes. A number of initiatives were placed on hold or re-prioritised based on the prospective sale of Mace Consult. The Committee also sanctioned several programmes to enhance the Group's use of AI. Throughout 2025, the Committee focused on governance discipline in business case development, benefit tracking and post-project evaluation.

Conclusion

Over the course of 2025, the Investment & General Purpose Committee views that it operated effectively and in accordance with its terms of reference. It provided robust challenge and oversight of the Group's investment strategy, major transactions, capital expenditure, digital programmes and transformation initiatives. The Committee ensured that management proposals were scrutinised thoroughly and that investment decisions aligned with the Group's strategic objectives and financial discipline. The Committee will continue to monitor investment performance, oversee complex transactions and support the Board in delivering long-term value for shareholders in 2026.

DIRECTORS' REPORT

The directors present their annual report on the affairs of the Group, together with audited financial statements and a report from the independent auditor, for the year ended 31 December 2025.

Principal activity

The Group is a construction company whose principal activities are contracting and construction management. The principal activity of the Company is the holding company of the Group.

Results and dividends

The consolidated loss for the year before taxation, excluding discontinued operations, amounted to £61.9m (2024: £44.6m). The Company paid interim dividends of £3.1m (2024: £4.4m) in the year.

Strategic Report

The Group is required by Section 414A of the Companies Act 2006 to present a Strategic Report in the Annual Report. The Strategic Report also contains, where appropriate, an indication of the directors' view on likely future developments in the business of Mace Group.

Financial instruments

Further information regarding the Group's financial instruments related policies and a consideration of its liquidity and other financing risks are set out in note 3 to the financial statements.

Directors

The Directors who served during 2025 and to the date of this report are as detailed in the Corporate Governance Statement on page 70.

Energy and carbon emissions

Mace has been a member of the RE100 Climate Group since 2017 which commits Mace to procure 100% power from renewable sources by 2030. Where Mace has financial control of energy supply, through our Electricity Supply and New Connections contract with Npower, EDF Energy and Ecotricity, we have procured 100% renewable or REGO backed electricity. Mace Construct has retained this commitment going forward.

This statement of energy use and carbon emissions complies with the 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance March 2019 (Updated Introduction and Chapters 1 and 2)'. The statement below covers energy use and associated greenhouse gas emissions relating to natural gas, electricity (market-based), liquid fuels, business travel via private and hire vehicles, business travel through other modes of transport, an intensity ratio and information relating to energy efficiency actions. The scope for this report includes emissions from UK, international and joint arrangements where Mace has operational control. This aligns with boundaries used in wider carbon reporting for Mace Group.

Explanation of energy consumption

The table shows a decrease of 14% in energy use kWh from 2024 to 2025.

- **Gas:** the 42% decrease in gas emissions is due to the close-out of three large construction projects in 2024 as well as reduced gas consumption in our offices.
- **Electricity:** the 25% decrease in emissions from electricity use across Mace is due to several exceptionally large construction projects completing in 2024.
- **Liquid Fuels:** the 71% decrease in consumption of liquid fuels is also due to completed projects in 2024, as well as the continued ban on using diesel generators on all new projects, which allows use only in necessary situations. This has led to increased use of HVO in generators and on sites. As HVO has lower emissions than diesel, this continues to drive a portion of the emissions decrease. We are also seeing the effect of a diesel-free policy on contractors' diesel, where use is by exception only. This emissions figure includes contributions from LPG, petrol and HVO as well as diesel.

- **Business Travel (Grey Fleet):** agile working continues to reduce emissions from business travel mileage in our 'grey fleet' by 7% year on year. Business travel on the whole across the Group has also reduced by 16% compared to 2024, partly related to a significant reduction in the air travel emissions factors published by DEFRA.
- **Gross Emissions:** in light of the decreases mentioned above Mace Group's gross emissions decreased by 61%. This is largely because 2024 data included embodied carbon emissions from one of our development sites.

Energy efficiency

Mace's 2026 business strategy was launched in 2021. This includes setting KPIs to monitor progress. Our sustainability strategy includes our ambitious targets of a 10% corporate carbon reduction year on year and reducing our client carbon by 10 million tonnes. We have two non-climate-related headline targets: creating 500 hectares of new biodiverse space and the creation of £700m Value to Society per year by 2026.

In the report Mace commits to building a better future by:

- **Transforming our impact on society and planet:** Evolving the way we do business to ensure that the way we operate is sustainable, ethical and robustly governed. Our ESG strategy links to Mace's strategic priorities, connecting every element of what we do to our purpose.
- **Value to Society:** Creating shared value sits at our heart. Supporting communities and generating opportunities to deliver better outcomes for society. It is what we do because it is the right thing to do. Over the last few years, we have increased our Value to Society, but there is always more that we can do and our target of £700m by 2026 will see us add advanced value by bringing further benefits to those whom our projects touch, now and in the future.

- **Carbon emissions:** Globally our Scope 1, 2 and 3 carbon emissions are audited by a third party on an annual process. We will continue to secure annual verification of our carbon position with a target to reduce our corporate carbon footprint by 10% each year.

In 2024, Mace committed to set a science-based target within the next two years, supporting our Net Zero Strategy and carbon reduction targets.

In the first quarter of 2026, Mace Construct submitted both near-term and long-term targets for validation by the Science-Based Target initiative. Mace Consult has also committed to setting a science-based target.

As part of our carbon reduction roadmap, Mace Construct has committed to significantly reduce carbon emissions associated with:

- Energy use – the electricity, natural gas, diesel and other liquid fuels we purchase.
- Embodied carbon – from manufacturing and transporting the materials used in the buildings we develop.
- Business travel – our travel through flights, trains, taxis, cars, bus, ferry and coach, and hotel accommodation.
- Waste – the waste we send to landfill from construction sites.
- Purchased Goods and Services, including the water we use on construction sites
- Employee work from home emissions.

Mace Construct is committed to a Net Zero future. This involves the continued reduction of energy use, business travel and on-site diesel. Mace recognises climate change as a global issue and has committed to reducing its environmental impact and assisting its clients to reduce their impact on the environment.

In the 2025 ESOS Action Plan Mace committed to:

- Removing weekends from office plant schedules and require an override for out-of-hours maintenance and headquarters
- Adjusting timings on HVAC and reducing running time for the primary plant Bank Holiday schedules at headquarters
- Staff induction training
- Using sub-metering, monitoring and targeting analysis on construction sites.

The following energy efficiency measures are under consideration for implementation during 2026:

- Continue to source energy efficient site accommodation
- Continue to update heating and controls in all offices, site accommodation canteens and drying rooms
- Continue to reduce business travel by use of video conferencing and agile working
- Continue research and development of new methods of construction
- Continue to push for lower embodied carbon materials
- Investigate ways to reduce energy use and emissions from ICT
- Reduce waste and amount sent to landfill
- Work with our supply chain to reduce emissions
- Implement ESOS Phase 3 findings where appropriate
- Train staff on the importance of energy efficiency and best practice for achieving it

This financial year, due to the sale of Mace Consult, we have reported the figures for Mace Group, Mace Construct and Mace Consult.

Methodology used in the calculation of disclosures

The methodology for data within this report has followed the format of the Mace ESOS Reports and in compliance with 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance March 2019 (Updated Introduction and Chapters 1 and 2)'.

Mace's scope for SECR reporting includes activities where Mace has operational control, including construction site energy, office energy and joint ventures. Mace has operational control of emissions associated with the construction set-up, construction activities and control of the utilities.

Where estimations were required, the pro-rata calculation technique was used. This is used in the case where there are data gaps, as the billing period covers more than the reporting year and needs to be quantified using a proportional method based on meter readings. The consumption for a billing period is broken down into a daily consumption and multiplied into monthly consumption to cover the data gap.

Intensity ratio calculated using posted revenue for the 2025 year.

- Tonnes of CO₂e per £m revenue

Verification of our carbon data was completed by Carbon Footprint Ltd, in accordance with the ISAE 3000 (revised) standard and ISAE 3410 Assurance Engagements on GHG Statements. The work was undertaken to a limited level of assurance with respect to the GHG statements made.

Reporting year (Global Operations)	2024	2025			Change	Units
	Mace Group	Mace Group	Mace Construct	Mace Consult	Mace Group	
Total energy use covering electricity, gas, diesel, and transport	45,515,684	39,280,353	32,576,379	6,703,974	-14%	kWh
Total emissions generated through combustion of gas	428	248	60	188	-42%	tCO ₂ e
Total emissions generated through use of purchased electricity	970	723	339	385	-25%	tCO ₂ e
Total emissions generated through use of liquid fuels	1,149	334	332	3	-71%	tCO ₂ e
Total emissions generated through business travel (grey fleet)	1,180	1,096	132	964	-7%	tCO ₂ e
All other Scope 3 emissions	17,178	5,840	1,344	4,497	-66%	tCO ₂ e
Total gross emissions	20,906	8,242	2,207	6,036	-61%	tCO ₂ e
Intensity ratio (total gross emissions)	7.50	2.67	0.96	7.82	-64%	Per £ Revenue

Directors' indemnity insurance

The Company provides a directors' and officers' insurance policy which was in place during the year and remains in force at the date of this report.

Going concern

The directors continue to adopt the going concern basis in preparing the Group's 2025 financial statements.

The directors have carried out an assessment of the Group's ability to continue as a going concern for a period of at least 12 months from the date of the approval of the financial statements. The assessment has considered:

- The likelihood of the principal risks of the Group occurring;
- Current liquidity levels;
- The availability of shareholder support following the carve-out of Mace Consult;
- The most recent unaudited trading performance of the Group at the point at which the assessment took place, being September 2026;
- The anticipated results for the 2026 and 2027 financial years with reference to the Board approved targets and associated assumptions; and
- The total value and phasing of the Group's forward order book and project outturn.

In performing their assessment, the directors have modelled the impact of two adverse scenarios, which were selected through a detailed review of the Group's principal risks. The two scenarios noted below model the impact on the Group's financial performance and have been assessed before and after reasonable mitigation to consider the potential level of severity:

- A downside scenario in which all principal risks occur simultaneously, including unexpected contractual loss, lower than expected returns from major projects, supply chain failure, and unexpected inflationary pressure; and
- A balanced downside case assuming that only risks assessed as having a 'High' or 'Medium' likelihood.

Even in the most severe of these scenarios, when the Group applies reasonable mitigating factors, the Group is still expected to retain sufficient liquidity and shareholder support to operate successfully throughout the going concern period.

Events after the reporting date

Details of significant events after the reporting date can be found in note 28.

Employees

The directors recognise that employees are fundamental to Mace's success and are committed to the inclusion, wellbeing, and development of employees at all levels. The directors wish to ensure that Mace is a diverse and inclusive business that respects employees' protected characteristics including race, religion, sexual orientation, and disability.

Mace gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is Mace's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide appropriate training, career development, and promotion to disabled employees.

Arrangements exist to keep all employees informed on matters of concern to them and information on Mace Group performance and prospects is disseminated widely. The directors ensure that employees or their representatives are consulted on a regular basis so that the views of employees can be considered in making decisions which are likely to affect them.

Employees are encouraged to promote the performance and efficiency of Mace Group, and various profit sharing and bonus schemes operate to encourage this.

The directors would like to thank colleagues across the Group for their hard work during the year.

Engagement with stakeholders

Mace Group continued to engage with stakeholders throughout the year as disclosed in the s172 Statement on page 20.

Disclosure of information to the auditor

Each of the persons who is a director as at the date of this report confirms that:

- As far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s.418 of the Companies Act 2006.

Reappointment of auditor

Forvis Mazars LLP has indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be appointed as auditor by the shareholders of the company by written resolution in lieu of an Annual General Meeting.

The financial statements are approved by the Board and signed by order of the directors.

Robert Musgrove

Group Company Secretary

26 October 2026

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Directors' Report, the Corporate Governance Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 101 Reduced Disclosure Framework. Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their profit or loss for that period. The directors consider the financial statements to be true and fair.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether the Group financial statements have been prepared in accordance with UK-adopted international accounting standards;
- State whether the Company financial statements have been prepared in accordance with FRS 101 Reduced Disclosure Framework; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.



Jason Millett

Group Chief Executive
26 October 2026

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FINANCIAL STATEMENTS

Independent auditor's report to the members of Mace Finance Limited

Opinion

We have audited the financial statements of Mace Finance Limited (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise the following:

- Consolidated Statement of Comprehensive Income
- Consolidated Statement of Financial Position
- Company Statement of Financial Position
- Consolidated Statement of Cash Flows
- Consolidated Statement of Changes in Equity
- Company Statement of Changes in Equity, and
- Notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted international accounting standards.

The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion,

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our audit procedures to evaluate the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern;
- Obtaining the directors' documented assessment of going concern and related financial statement disclosures;
- Making enquiries of the directors to understand the period of assessment considered by them, the assumptions they considered and the implication of those assumptions when assessing the Group's and the Company's future financial performance;
- Obtaining an understanding of the relevant controls relating to the directors' going concern assessment;
- Assessing the historical accuracy of forecasts prepared by the directors;
- Challenging the appropriateness of the directors' key assumptions in their cash flow projections, as described in note 1, by reviewing supporting and contradictory evidence in relation to these key assumptions and assessing the directors' consideration of severe but plausible scenarios. Our work included:
 - assessing the viability of mitigating actions identified by the directors and within the directors' control; and
 - assessing the shareholders' ability to provide financial support following the disposal of the Consult Engine;
- Testing the projection model for mathematical accuracy and logical integrity;
- Assessing the projected liquidity over the going concern period under management's base case and under their downward scenarios;
- Performing independent stress testing of the directors' cash flow projections to assess the extent of headroom available and evaluate the impact of reasonably possible downside scenarios on the Group's ability to continue as a going concern; and
- Evaluating the appropriateness of the directors' disclosures in the financial statements on going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the director's considered it appropriate to adopt the going concern basis of accounting.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matters in forming our opinion above, together with an overview of the principal audit procedures performed to address each matter and our key observations arising from those procedures.

These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key Audit Matter	How our scope addressed this matter
Long-term contract accounting in relation to construction revenue and related contract balances (Group) Refer to the Audit & Risk Committee Report on page 81, Note 1 on Revenue and margin recognition on pages 106 to 107 (Accounting policies), Note 2a) on page 112 (Significant accounting estimates and judgements and key sources of uncertainty), Note 17 on page 128 (contract related balances within Trade and other receivables) and Note 19 on page 129 (contract related balances within Trade and other payables). The Group recognises revenue for construction contracts over time and measures the progress using the input method under IFRS 15. Revenue recognised in the period is calculated based on the percentage of completion of the project by determining the proportion of contract costs incurred for the work performed to the reporting date compared with the total expected costs for the life of the project. Revenue recognition is therefore dependent on: - management's measurement of forecast life costs which includes provisional sums that require estimation and judgement. Forecast life costs are based on estimates such that the effects of complexity, subjectivity or other inherent risk factors affect their susceptibility to misstatement; - recording contract costs in the correct period; and - determination of expected revenue on contracts, which includes amounts relating to variations and claims which fall under the variable consideration or contract modification requirements of IFRS 15. These amounts are recognised on a contract-by-contract basis when evidence supports that the contract modification is enforceable or when it is considered highly probable that a significant reversal in the amount of variable consideration recognised will not occur. Due to the significance of construction contract revenue and related contract balances to the Group financial statements, the significant management judgement and estimation uncertainty involved in forecasting costs to complete, assessing contract profitability, evaluating variations and claims, and determining any associated onerous contract provisions, together with the potential for management bias in these estimates, we have identified revenue recognised over a period of time on construction contracts and related contract balances as a key audit matter.	Our audit procedures included, but were not limited to: - Obtaining an understanding of the Group's contract accounting processes and evaluating the design and implementation of relevant controls. - Performing tests of details over revenues and costs for a sample of construction contracts, including testing the completeness of contract accruals and assessing the completeness of estimated costs to complete. - Attending selected monthly contract review meetings and conducting site visits for higher risk or higher value contracts. Using a combination of quantitative and qualitative criteria, we selected a sample of the most significant and complex contracts for detailed testing. For these contracts, we tailored our procedures to the specific risk characteristics identified, including but not limited to, the following: - Evaluating key contract terms and management's assessment of performance obligations. - Assessing the experience and qualifications of key contract personnel. - Meeting with contract teams to understand the nature of each contract, including principal risks and opportunities. - Assessing the financial stability of customers and key subcontractors. - Comparing forecast revenue with the signed contract value and any approved modifications, including contract amendments and agreed variations. - Testing a sample of variations to contractual terms, certifications, or instructions to evaluate management's judgement that it is highly probable that no significant revenue reversal will occur, in accordance with IFRS 15. - Inspecting the latest customer certifications supporting the right to bill and reviewing subsequent cash receipts. - Comparing year end contract assets to subsequent certifications, billings, and cash receipts. - Assessing the completeness of provisions for onerous contracts by reference to projected outturns. - Testing management's estimated costs to complete by inspecting agreed subcontractor and labour orders, challenging estimates for unagreed orders, performing look back analyses, and applying industry knowledge. - Testing costs incurred to date, including: - For subcontractor costs: inspecting certifications, applications for payment, purchase invoices, and reconciling these to year end recorded costs. - For labour costs: inspecting payroll reports. - Reperforming the calculation of revenue recognised, contract assets, and contract liabilities. - Assessing exposure to potential liquidated damages by comparing contractual completion dates (including approved extensions) with the Group's anticipated completion dates. For the residual population of contracts, we performed targeted, risk-based procedures, including selected procedures from those listed above. Our observations Based on the evidence obtained from our audit procedures, we concluded that revenue from construction contracts, contract assets and contracts liabilities are fairly stated.

Independent auditor's report to the members of Mace Finance Limited

Continued

Key Audit Matter	How our scope addressed this matter
Claims and provisions Refer to Note 1 on Provisions, Contingent liabilities, and Contingent assets on page 111 (Accounting policies), Note 2b) on pages 112 to 113 (Significant accounting estimates and judgements and key sources of uncertainty), Note 20 on pages 130 to 131 (Provisions, contingent liabilities and contingent assets). Contract provisions, contingent liabilities, and related reimbursement assets are recognised in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Contingent provisions are measured at the best estimate of the expenditure required to settle obligations present at the reporting date. These estimates are prepared on a claim-by-claim basis by management's best available information and advice from Quantity Surveyors when appropriate. Where costs cannot be measured reliably or where the likelihood of incurring them is only considered possible rather than probable, the claims are disclosed as contingent liabilities. Reimbursement assets are recognised when the economic benefit arising from the claims is assessed as being virtually certain. Due to the significance of the balance, the level of management judgement applied, and the inherent uncertainty associated with estimating the ultimate cost of claims and related recoveries, we have identified the contract provisions, reimbursement assets and contingent liability disclosures as a key audit matter.	Our audit procedures included, but were not limited to: — Obtaining an understanding of the Group's processes for identifying, assessing and recording contract provisions, contingent liabilities, and reimbursement assets and evaluating the design and implementation of relevant controls. — Assessing the completeness of provisions for claims through a review of professional indemnity notifications made to the Group's insurance broker. — Challenging management's methodology for assessing the need for recognition of a provision, contingent liability, or reimbursement asset by reference to the requirements of IAS 37. Using a combination of quantitative and qualitative criteria, we selected a sample of the most significant and complex claims and provisions for detailed testing. For these matters, we tailored our procedures to the specific risk characteristics identified, including but not limited to, the following: — Meeting with management, to understand the claim's nature, status and expected resolution. — Inspecting correspondence from legal advisers, technical experts, insurers and claimants. — Obtaining a breakdown of estimated remedial costs and costs incurred to date and reconciling these amounts to the claims schedule. — Challenging the reasonableness of management's cost estimates by reference to corroborating evidence, such as expert reports. — Assessing the key assumptions applied by management, including considering management's historical accuracy in estimating similar claims and remediation costs. — Evaluating the appropriateness of management's judgements where a range of potential outcomes has been identified. — Assessing the basis for reimbursement assets recognised by management through inspection of supporting evidence, including correspondence from insurers, loss adjuster reports, and insurance settlement payments. — Reviewing post year-end developments, including remediation activities, legal correspondence, settlements and costs incurred subsequent to the reporting date. — Performing a site visit to a significant remediation project to gain an understanding of the nature of the required remedial works. — Assessing the adequacy, completeness and appropriateness of the financial statement disclosures relating to provisions, contingent liabilities, reimbursement assets, and significant estimation uncertainties. Our observations Based on the evidence obtained from our audit procedures, we concluded that contract provisions, reimbursement assets and contingent liability disclosures are fairly stated.

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group materiality

Overall materiality	£11,889,000
How we determined it	~0.5% of Group revenue
Rationale for benchmark applied	We consider Group revenue to be the key focus of the users of the Group financial statements, and, as a more stable measure of year-on-year performance than profit before tax, to be the most appropriate benchmark.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £7,130,000, which represents 60% of overall materiality. In determining performance materiality we considered a number of factors including the history of misstatements detected in previous years and the effectiveness of the control environment.
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £356,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Company materiality

Overall materiality	£1,180,000
How we determined it	~0.5% of total assets
Rationale for benchmark applied	The Company does not trade, the main activity is that of a holding company. We consider total assets to be the key focus of the users of the Company's financial statements.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £710,000, which represents 60% of overall materiality. In determining performance materiality we considered a number of factors including the history of misstatements detected in previous years and the effectiveness of the control environment.
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £35,500 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the Group and the Company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our Group audit scope included an audit of the Group and the Company financial statements. Based on our risk assessment, we identified the following components of the Group's continuing business, including the Company, which were subject to audit procedures by the Group audit team:

- Two key components due to size and risk, which were subject to full scope audit procedures;
- The Company, assessed to be a key component due to risk, which was subject to full scope audit procedures;
- Two additional key components due to risk, which were subject to an audit of one or more account balances, classes of transactions, and/or disclosures; and
- Three material components, which were subject to an audit of one or more account balances, classes of transactions, and/or disclosures.

Components on which full scope audit procedures were performed represented 93% of Group revenue in the year ended 31 December 2025 (2024: 86%); the remaining components, representing 7% of Group revenue in the year ended 31 December 2025 (2024: 14%), were subject to audit procedures on specific account balances, classes of transactions, and/or disclosures.

The Group's Consult Engine was classified as a discontinued operation following the announcement of the planned disposal of the operations in July 2025. In accordance with IFRS 5, the profit, assets and liabilities of the Consult Engine have been disclosed separately from the activities and balances of the continuing operations. The Consult Engine has therefore been excluded from our assessment of the Group's components summarised above; the Group audit team performed a full scope audit on the Consult Engine using a specific materiality level based on Group materiality as set out above.

The Group audit team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Independent auditor's report to the members of Mace Finance Limited

Continued

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report, corporate governance statement and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report, corporate governance statement and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report, corporate governance statement or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out on page 90, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Group and the Company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, Bribery Act and Modern Slavery Act, health and safety regulation, anti-money laundering regulation, General Data Protection Regulation (GDPR) and Building Safety Act.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Enquiring of the directors, management and, where appropriate, those charged with governance, as to whether the Group and the Company are in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group and the Company which were contrary to the applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition, and significant one-off or unusual transactions.

Our procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Incorporating an element of unpredictability in the selection of the nature, timing, and extent of audit procedures performed;
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.



William Neale Bussey (Senior Statutory Auditor)

for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey
London
EC4M 7AU

26 October 2026

Consolidated statement of comprehensive income

Year ended 31 December 2025

	Note	2025 £000s	2024 £000s
Group revenue	4	2,309,758	2,092,032
Cost of sales	4	(2,181,986)	(2,027,435)
Gross profit	4	127,772	64,597
Administrative expenses	4	(121,960)	(92,791)
Other income	7	589	669
Fair value gain / (loss) on financial instruments measured at FVTPL	4	63	(719)
Operating profit/(loss) before exceptional items	4	6,464	(28,244)
Exceptional – impairment loss on loan to joint venture	11	(15,993)	(6,625)
Exceptional – others	11	(43,690)	–
Operating loss	4	(53,219)	(34,869)
Share of net loss of joint ventures	16	–	(26)
Profit on disposal of subsidiaries	4	–	260
Loss before interest	4	(53,219)	(34,635)
Finance income	8	4,475	1,594
Finance costs	8	(13,132)	(11,571)
Loss before taxation	4	(61,876)	(44,612)
Income tax credit / (expense)	12	6,588	(7,892)
Loss for the year – continuing operations		(55,288)	(52,504)
Profit for the year – discontinued operations	22	49,610	76,871
(Loss)/profit for the year		(5,678)	24,367
(Loss)/profit for the year attributable to:			
Owners of the parent		(5,771)	23,907
Non-controlling interest		93	460
		(5,678)	24,367
Other comprehensive income			
Items that will or may be classified to profit and loss:			
Exchange differences on re-translation of foreign subsidiaries		(4,406)	3,935
Items that will not be classified to profit and loss:			
Remeasurement of post-employment benefit obligation	19	(225)	122
Tax on remeasurement of post-employment benefit scheme		24	28
Total comprehensive income for the year		(10,285)	28,452
Total comprehensive income for the year attributable to:			
Owners of the parent		(10,190)	28,063
Non-controlling interest		(95)	389
		(10,285)	28,452
Analysed by:			
Continuing operations		(55,677)	(50,357)
Discontinued operations		45,392	78,809
Total comprehensive income for the year		(10,285)	28,452

The notes on pages 104 to 144 are an integral part of these consolidated financial statements.

Consolidated statement of financial position

As at 31 December 2025

	Note	31 December 2025 £000s	31 December 2024 £000s
Non-current assets			
Property, plant and equipment	13	22,893	33,106
Intangible assets	14	69,335	155,102
Deferred tax assets	12	4,901	9,760
Investments in joint ventures	15	–	478
Other investments	15	5,714	5,807
Trade and other receivables	17	–	3,562
Contingent and deferred consideration	3	2,183	4,659
Restricted cash	24	–	1,383
		105,026	213,857
Current assets			
Trade and other receivables	17	713,813	729,496
Deferred consideration	3	2,816	–
Development loan to joint venture	18	22,071	25,984
Development work in progress	18	7,876	7,520
Current tax assets		7,082	2,010
Restricted cash	24	9,253	7,085
Cash at bank		204,603	320,164
		967,514	1,092,259
Assets held for distribution	22	370,571	–
		1,338,085	1,092,259
Current liabilities			
Trade and other payables	19	(913,975)	(928,152)
Provisions	20	(45,478)	(18,855)
Current tax liabilities		–	(20,369)
Lease liabilities & borrowings	21	(23,088)	(14,679)
Bank overdrafts		–	(57,001)
		(982,541)	(1,039,056)
Liabilities held for distribution	22	(178,193)	–
		(1,160,734)	(1,039,056)
Net current assets		177,351	53,203
Total assets less current liabilities		282,377	267,060
Non-current liabilities			
Trade and other payables	19	–	(96)
Provisions	20	(125,313)	(68,378)
Lease liabilities and borrowings	21	(100,368)	(128,427)
Deferred tax liabilities	12	(797)	(841)
		(226,478)	(197,742)
Net assets		55,899	69,318
Capital and reserves			
Share capital	23	1	1
Own shares	23	(13,042)	(13,042)
Foreign exchange reserve		(5,161)	(943)
Retained earnings		73,624	82,720
Equity shareholders' funds		55,422	68,736
Non-controlling interests		477	582
		55,899	69,318

These financial statements of Mace Finance Limited (Company number 08057308) were approved by the directors, authorised for issue on 26 October 2026, and are signed on their behalf by:



Mark Reynolds
Group Executive Chairman



David Allen
Group Chief Financial Officer

The notes on pages 104 to 144 are an integral part of these consolidated financial statements.

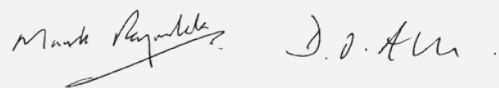
Company statement of financial position

As at 31 December 2025

	Note	31 December 2025 £000s	31 December 2024 £000s
Non-current assets			
Deferred tax assets	12	246	473
Investments in subsidiaries	15	146,111	146,111
Trade and other receivables	17	2,800	2,800
		149,157	149,384
Current assets			
Trade and other receivables	17	72,662	51,997
Current tax assets		7,641	4,149
Cash at bank		2,420	1,134
		82,723	57,280
Current liabilities			
Trade and other payables	19	(54,184)	(63,339)
Current tax liabilities		(304)	(304)
Borrowings	21	(19,000)	(7,500)
		(73,488)	(71,143)
Net current assets / (liabilities)		9,235	(13,863)
Total assets less current liabilities		158,392	135,521
Non-current liabilities			
Deferred tax liabilities	12	–	–
Trade and other payables	19	(61,557)	(96)
Borrowings	21	(85,925)	(106,969)
		(147,482)	(107,065)
Net assets		10,910	28,456
Capital and reserves			
Share capital	23	1	1
Own shares	23	(13,042)	(13,042)
Retained earnings		23,951	41,497
Equity shareholders' funds		10,910	28,456

A separate profit and loss account for the Company (Company number 08057308) is not presented as permitted by Section 408 of the Companies Act 2006. The loss after taxation of the Company was £14.4m (2024: £14.9m profit) and total comprehensive loss of £14.4m (2024: £14.9m profit).

These financial statements were approved by the directors, authorised for issue on 26 October 2026 and are signed on their behalf by:



Mark Reynolds

Group Executive Chairman

David Allen

Group Chief Financial Officer

The notes on pages 104 to 144 form part of these financial statements.

Consolidated statement of cash flows

Year ended 31 December 2025

	Note	Year ended 31 December 2025 £000s	Year ended 31 December 2024 £000s
Cash flows from operating activities	24	71,316	63,005
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(3,486)	(6,235)
Acquisition of a subsidiary	22	(12,855)	–
Disposal of subsidiaries		–	260
Dividends from joint ventures	15	475	1,093
Proceeds from disposals of property, plant and equipment and intangible assets		89	1,588
Net cash used in investing activities		(15,777)	(3,294)
Cash flows from financing activities			
Increase in shareholder loan, ex-shareholder loan and director loans	24	–	25,000
Repayment of shareholder loan, ex-shareholder loan and director loan	24	(5,562)	–
Dividends paid to Company shareholders		(3,124)	(4,353)
Dividends paid to non-controlling interests		(10)	(482)
Repurchase of own shares		–	(27,691)
Increase in borrowings	21	–	100,000
Repayment of borrowings	21	(7,500)	(60,000)
Payment of loan fees		–	(1,188)
Repayment of lease liabilities		(5,367)	(5,853)
Net cash (used in) / generated from financing activities		(21,563)	25,433
Net increase in cash at bank and bank overdrafts		33,976	85,144
Cash at bank and bank overdrafts at the beginning of the year		271,631	186,903
Effects of currency translation on cash at bank and bank overdrafts		1,856	(416)
Cash at bank and bank overdrafts at the end of the year (including cash held in disposal group)		307,463	271,631
Less: Cash at bank and bank overdrafts held in disposal group presented as held for distribution at the end of the year	22	(93,607)	–
Cash at bank and bank overdrafts at the end of the year		213,856	271,631

	Note	2025 £000s	2024 £000s
Cash at bank and bank overdrafts			
Cash at bank		204,603	320,164
Restricted cash	24	9,253	8,468
Bank overdrafts		–	(57,001)
		213,856	271,631

The notes on pages 104 to 144 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

Year ended 31 December 2025

	Share Capital £000s	Own Shares £000s	Foreign Exchange Reserve £000s	Retained Earnings £000s	Attributable to Owners £000s	Non- Controlling Interests £000s	Total £000s
Equity shareholders' funds as at 1 January 2024	1	(7,682)	(4,949)	88,027	75,397	675	76,072
Profit after tax for the year	–	–	–	23,907	23,907	460	24,367
Remeasurement of post-employment benefit scheme (note 19)	–	–	–	122	122	–	122
Tax on remeasurement of post-employment benefit obligation	–	–	–	28	28	–	28
Retranslation gain	–	–	4,006	–	4,006	(71)	3,935
Total comprehensive income for the year	–	–	4,006	24,057	28,063	389	28,452
Dividends paid (note 23)	–	–	–	(4,353)	(4,353)	(482)	(4,835)
Repurchase of shares (note 23)	–	(30,371)	–	–	(30,371)	–	(30,371)
Cancellation of shares (note 23)	–	25,011	–	(25,011)	–	–	–
Equity shareholders' funds as at 31 December 2024	1	(13,042)	(943)	82,720	68,736	582	69,318
(Loss)/profit after tax for the year	–	–	–	(5,771)	(5,771)	93	(5,678)
Remeasurement of post-employment benefit scheme (note 19)	–	–	–	(225)	(225)	–	(225)
Tax on remeasurement of post-employment benefit obligation	–	–	–	24	24	–	24
Retranslation loss	–	–	(4,218)	–	(4,218)	(188)	(4,406)
Total comprehensive income for the year	–	–	(4,218)	(5,972)	(10,190)	(95)	(10,285)
Dividends paid (note 23)	–	–	–	(3,124)	(3,124)	(10)	(3,134)
Equity shareholders' funds as at 31 December 2025	1	(13,042)	(5,161)	73,624	55,422	477	55,899

The notes on pages 104 to 144 are an integral part of these consolidated financial statements.

Company statement of changes in equity

Year ended 31 December 2025

	Share Capital £000s	Own Shares £000s	Retained Earnings £000s	Total £000s
Equity shareholders' funds as at 1 January 2024	1	(6,809)	56,005	49,197
Profit after tax for the year	–	–	14,862	14,862
Total comprehensive income for the year	–	–	14,862	14,862
Dividends paid (note 23)	–	–	(4,359)	(4,359)
Purchase of own shares from a subsidiary company (note 23)	–	(873)	–	(873)
Repurchase of shares (note 23)	–	(30,371)	–	(30,371)
Cancellation of shares (note 23)	–	25,011	(25,011)	–
Equity shareholders' funds as at 31 December 2024	1	(13,042)	41,497	28,456
Loss after tax for the year	–	–	(14,422)	(14,422)
Total comprehensive loss for the year	–	–	(14,422)	(14,422)
Dividends paid (note 23)	–	–	(3,124)	(3,124)
Equity shareholders' funds as at 31 December 2025	1	(13,042)	23,951	10,910

The notes on pages 104 to 144 form part of these financial statements.

Notes to the financial statements

Year ended 31 December 2025

1. Accounting policies

General information

Mace Finance Limited (the 'Company' and the 'Group') is a private company limited by shares, incorporated and domiciled in England and Wales. The address of the registered office is 155 Moorgate, London, EC2M 6XB. The principal activities of the Group and the Company are detailed in the Directors' Report.

The functional currency of the Company is pounds sterling because that is the currency of the primary economic environment in which the Group operates. Pounds sterling is also the presentation currency of the Company and Group. The amounts stated are denominated in thousands (£'000).

Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006. The consolidated financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit and loss.

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under Financial Reporting Standard (FRS) 100 issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2025 the Company reported under FRS 101 as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the following disclosure exemptions available under that standard:

- The requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement.
- The requirements of IAS 7 Statement of Cash Flows.
- The requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures.
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- The requirements of paragraphs 134(d) – 134(f) and 135(a) – 135(e) of IAS 36 Impairment of Assets.
- The requirements of IAS 8 to disclose the details of standards issued but not yet effective and the likely impact, and
- The disclosure requirements of IFRS 7 Financial Instruments, other than those required by law.

Where required, equivalent disclosures are given in the consolidated financial statements.

In addition to the application of FRS 101, the Company has taken advantage of Section 408 of the Companies Act 2006 and consequently its statement of comprehensive income (including the profit and loss account) is not presented as part of these financial statements.

Re-presentation of comparative financial information – Discontinued Operations

On 23 July 2025 the Group announced its intention to separate the Consult business from the Group through a demerger, whereby shares in Mace Consult Limited are distributed to current Mace shareholders through a) incorporation of two separate holding companies, Mace Construct Holdings Limited ("Construct TopCo") and Mace Consult Holdings Limited ("Consult TopCo"), and b) a tripartite agreement between the current shareholders, Construct TopCo and Consult TopCo. A sales and purchase agreement was also signed with Private Equity at Goldman Sachs Alternatives on 23 July 2025. Consult, including Mace Consult Limited and its subsidiaries and joint ventures, together with the relevant consulting operations of Mace Limited, is considered as a disposal group in accordance with IFRS 5. Subject to regulatory approval, management considered the demerger to be completed within one year of the announcement date and accordingly Consult was classified as a disposal group held for distribution and discontinued operations from the announcement date. The demerger was successfully completed on 27 February 2026 and the sale to the third party investor was successfully completed on 5 March 2026.

An operation is classified as discontinued if it is a component of the Group that: (i) has been disposed of, or meets the criteria to be classified as held for sale/ distribution; and (ii) represents a separate major line of business or geographic area of operations or will be disposed of as part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations. A non-current asset (or disposal group) is classified as held for distribution to owners when the Group is committed to distribute the asset (or disposal group) to the owners. For this to be the case, the assets must be available for immediate distribution in their present condition and the distribution must be highly probable. The Group measures a non-current asset (or disposal group) classified as held for distribution to owners at the lower of its carrying amount and fair value less costs to distribute. No depreciation or amortisation is charged in respect of non-current assets classified as held for distribution once the classification has been made.

Assets and liabilities classified as held for distribution are presented separately as current assets and liabilities in the statement of financial position. The results of discontinued operations are presented separately from those of continuing operations. Accordingly, the results for the year ended 31 December 2024 have been re-presented, impacting the Consolidated Statement of Comprehensive Income. With Consult being classified as discontinued operations, unless otherwise stated, the information on discontinued operations is no longer presented in the relevant notes. Refer to note 22 for further details on discontinued operations.

As a result of the disposal of the Consult business and the reclassification of Consult revenue as part of discontinued operations, management have assessed the allocation of revenue between divisions. For the year ended 31 December 2024 the Group had a number of judgemental audit differences that have been netted to an immaterial amount for the Group income statement. The judgemental audit differences have been reassessed for the purposes of the continuing and discontinued operations presentation, hence presentational changes to the 2024 comparatives by division have been made for the benefit of the user of the accounts.

Going Concern

The directors continue to adopt the going concern basis in preparing the Group's 2025 financial statements.

The directors have carried out an assessment of the Group's ability to continue as a going concern for a period of at least 12 months from the date of the approval of the financial statements. The assessment has considered:

- The likelihood of the principal risks of the Group occurring;
- Current liquidity levels;
- The availability of shareholder support following the disposal of the Consult group;
- The most recent unaudited trading performance of the Group at the point at which the assessment took place, being September 2026;
- The anticipated results for the 2026 and 2027 financial years with reference to the Board approved targets and associated assumptions; and
- The total value and phasing of the Group's forward order book and project outturn.

In performing their assessment, the directors have modelled the impact of two adverse scenarios, which were selected through a detailed review of the Group's principal risks. The two scenarios noted below model the impact on the Group's financial performance and have been assessed before and after reasonable mitigation to consider the level of severity:

- A downside scenario in which all principal risks occur simultaneously, including unexpected contractual loss, lower than expected returns from major projects, supply chain failure, and unexpected inflationary pressure; and
- A balanced downside case assuming that only risks assessed as being of 'High' or 'Medium' likelihood to occur.

Even in the most severe of these scenarios, when the Group applies reasonable mitigating factors, the Group is still expected to retain sufficient liquidity and shareholder support to operate successfully throughout the going concern period.

Basis of consolidation

The Group financial statements incorporate the results of Mace Finance Limited, its subsidiary undertakings, and the Group's share of the results of joint ventures and joint operations. Subsidiaries are all entities over which the Group has control. The power over relevant activities, exposure or rights to variable returns from its involvement with an investee, and the ability to influence those returns, are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group until the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed to the income statement. The identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values at the acquisition date, irrespective of any non-controlling interest. The excess of cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but impairment indicators are considered for the asset transferred. Accounting policies of acquired subsidiaries are changed where necessary, to ensure consistency with policies adopted by the Group. All subsidiaries of the Group are included within the consolidated financial statements.

Changes to accounting policies as a result of new standards issued and effective

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025. The Group has not early adopted any other standards, interpretations or amendments that have been issued but which are not yet effective.

Amendments to IAS 21 – The effects of changes in foreign exchange rates

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The adoption of this amendment does not have a significant financial impact on the financial statements.

Standards and interpretations issued but not yet effective

A number of new standards and amendments to existing standards have been published which are mandatory but are not effective for the year ended 31 December 2025. The directors do not anticipate that the adoption of these revised standards and interpretations will have a significant financial impact on the financial statements in the period of initial application, apart from the below standard.

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 becomes effective for periods beginning on or after 1 January 2027 and replaces IAS 1 Presentation of financial statements. IFRS 18 is applicable retrospectively. The new standard introduces the following:

- A requirement to classify all income and expenses within the Income statement into one of five categories: operating, investing, financing, income taxes and discontinued operations, for which the first three are new. There is no change to the existing recognition and measurement criteria within IFRS, and accordingly, there will be no change to profit after tax;
- The disclosure of all Income statement non-GAAP measures used to monitor the financial performance of the Group, referred to as Management-defined performance measures (MPMs), are disclosed within a single note to the financial statements;
- Additional guidance on the aggregation and disaggregation of information in the financial statements;
- In the Cash flow statement, interest received and interest paid, currently presented as net finance cost within cash flows from operating activities, will be reclassified to cash flows from investing activities and cash flows from financing activities, respectively.

Management has completed assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. The expected material impact on the Group financial statements are:

- In the Income statement, foreign exchange differences will be classified in the category where the related income and expense form the item giving rise to the foreign exchange difference;
- EBITDA would be considered as a MPM and will be disclosed separately within a single note.

There are no other new standards or interpretations issued by the IASB that had a significant impact on the Group financial statements.

1. Accounting policies (continued)

Revenue and margin recognition

Revenue is measured under IFRS 15 at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the provision of goods or services in the normal course of business, net of discounts, VAT and other sales-related tax. Revenue is recognised in the period in which the performance obligations are satisfied. Margin is calculated by reference to total project revenue less costs incurred to deliver the services. The different contract types are described below with reference to our Engines. The timing of revenue recognition described below could either be in advance or in arrears of billing, resulting in either a contract asset, a contract receivable or a contract liability.

Construct contracts

A significant percentage of the Group's revenue is derived from construction contracts. The majority of contracts are considered to contain only one performance obligation for the purposes of recognising revenue. While the scope of works may include a number of different components, in the context of construction activities these are usually highly interrelated and produce a combined output for the customer.

Contracts are typically satisfied over time. For fixed price construction contracts and cost reimbursable contracts, progress is measured based on the costs incurred to date as a proportion of the estimated total cost and an assessment of the final contract price.

Variations to the original contract sum are not included in the estimated total contract price until the customer has agreed the revised scope of work. Where the scope has been agreed but the corresponding change in price has not yet been agreed, only the amount that is considered highly probable not to reverse in the future is included in the estimated total contract price. Where delays to the programme of works are anticipated and liquidated damages would be contractually due, the estimated total contract price is reduced accordingly. This is mitigated by expected extensions of time or commercial resolution being achieved only where it is highly probable that this will not lead to a significant reversal in the future.

In order to recognise the profit over time, it is necessary to estimate the total costs of the contract. These estimates take account of any uncertainties in the cost of work packages which have not yet been let and materials which have not yet been procured, the expected cost of any acceleration of or delays to the programme or changes in the scope of works and the expected cost of any rectification works during the defect liability period. Once the outcome of a construction contract can be estimated reliably, margin is recognised in the income statement in line with the corresponding stage of completion. Where a contract is forecast to be loss-making, the full loss is recognised immediately in the income statement. Where work has been carried out, but right to payment is conditional on final certification of work and other factors, the value of the work is recognised as a contract asset. This differs from the classification as contract receivables which relate to accrued income for work performed where the right to payment is unconditional.

Consult contracts (Discontinued Operations)

The Group earns revenue from the provision of services relating to Consult contracts for project and programme management, cost consultancy and advisory services. Revenue is measured under IFRS 15 at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services in the normal course of business, net of discounts, VAT and other sales related tax.

The Group recognises revenue when it transfers control over a product or service to a customer. Revenue under most contracts is either a fixed fee for a specific service or period of service, or is based on a set hourly / daily rate. Contracts often comprise service or framework agreements, together with specific task orders issued under the terms of the framework agreement. Depending on the nature of the framework agreement and the task orders, each task order may be treated as a separate performance obligation or as a variation on existing performance obligations. An element of variable consideration, assessed for example by reference to identified performance obligations, can be included in the contractual arrangements, and is included in estimated contract revenue based on management's assessment of the likely outcome, but only to the extent that it is highly probable that a significant reversal will not be required when the level of variable consideration is determined.

Fixed-fee contracts

For fixed-fee service contracts, revenue is recognised over the period of delivery of the service. Total expected revenue is recognised in profit or loss in proportion to the percentage of completion of the performance obligation at the reporting date. The percentage of completion is measured by actual costs incurred in relation to total estimated costs. Estimates of revenues, costs or the extent of progress towards completion are revised if circumstances change. In the Group's view this best reflects the value delivered to the customer in a business that mainly uses human and intellectual capital (of its employees) for completion of the performance obligations.

In the case of fixed-fee contracts, the customer makes payments based upon a contractual payment schedule. If the services rendered by the Group exceed the payments, a contract receivable (accrued revenue) is recognised. If the payments exceed the services rendered, a contract liability (deferred revenue) is recognised. For contracts under which revenue is based solely on a set hourly / daily fee, revenue is normally billed monthly in arrears, and is recognised in the period that the services are delivered by reference to the amount that the Group has a right to invoice in respect of those services. Where a contract is forecast to be loss-making, the full loss is recognised immediately in the income statement.

Contract costs

Costs to obtain a contract are expensed unless they are incremental, i.e. they would not have been incurred if the contract had not been obtained, and the contract is expected to be sufficiently profitable for them to be recovered. Costs to fulfil a contract are expensed unless they relate to an identified contract, generate or enhance resources that will be used to satisfy the obligations under the contract in future years and the contract is expected to be sufficiently profitable for them to be recovered. Where costs are capitalised, they are amortised over the shorter of the period for which revenue and profit can be forecast with reasonable certainty and the duration of the contract except where the contract becomes loss making. If the contract becomes loss making, all capitalised costs related to that contract are expensed immediately.

Development contracts

The Group delivers development management as a service and develops real estate assets. Contracts for development management services are typically treated as having one performance obligation and may be priced based on time and materials, a fixed fee or a variable fee based on total project cost. Revenue is calculated on the same basis as the Consult contracts detailed above. Development contracts may include performance obligations delivered at a point in time, in which case revenue is recognised at the point, otherwise they will be treated as being delivered over time in accordance with typical ongoing service type contracts.

Revenue deriving from the sale of land or property is recognised when control has been passed to the buyer, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group. Sale of goods revenue is recognised at legal completion in respect of the total proceeds of building and development. Revenue is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the property, net of discounts and VAT. Cost of sales is also recognised at legal completion, when the goods are sold, and until then the costs are recorded within Development work in progress on the balance sheet.

Group leasing arrangements as a lessor

Income from leases where a member of the Mace Group is a lessor is covered in the accounting policy for leases.

Financing component

The Group usually does not have any significant contracts where the period between the transfer of the promised services to the customer and the payment by the customer, as contractually agreed, exceeds one year. If applicable, the transaction price is adjusted for the time value of money. Due to the nature of the Group's operations, some contracts entitle clients to hold retentions in respect of projects in progress or completed projects. The purpose of retentions is to provide security to the customer in relation to the project and does not indicate there is significant financing component within the contract.

Agent versus principal

For each performance obligation, the Group assesses whether the nature of its commitments is to provide the services itself, or to arrange those services to be provided by another party. The Group assesses whether it controls the specified services before they are delivered to the customer.

The Group is typically a principal in the case of subcontracted work, as the Group is primarily responsible for fulfilling the obligation to provide the specified services and bears primary responsibility for meeting customer specifications and has discretion in establishing the price to be charged to the customer. When the Group acts as an agent, only the fee or commission is recognised on a net basis in revenues.

Government grants

Government grants are recognised when there is reasonable assurance that the conditions will be met. Government grants are either recorded in other income or reported to offset the relevant cost, depending on the type of grant. Government grants are recognised to match the associated cost other than where expenditure has already been incurred, in which case they are recorded in the profit and loss immediately. Where government grants are repaid to clients, this is recorded as a reduction in revenue. Where government loans have not yet been approved as grants, these are reported as a loan balance within loans and borrowings on the balance sheet. No government grants have been received in relation to assets.

Goodwill and other intangible assets

Goodwill represents the future economic benefits arising from assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGU) expected to benefit from the synergies of the combination. CGUs to which the goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount or future economic benefits from the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Software is recognised as an intangible asset. It is recognised at cost less accumulated amortisation and impairment losses. Amortisation is recognised on a straight-line basis over its estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis. The estimated useful lives for the Group's finite life intangible assets are 3, 5 or 10 years depending on the expected useful economic life of the intangible assets. Amortisation is recognised in administrative expenses. Amortisation of intangible assets commences once the asset is in the condition and location to be used as intended by management. Assets under construction are not amortised.

Notes to the financial statements

Continued

1. Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation of tangible fixed assets commences once the asset is in the condition and location to be used as intended by management. Assets under construction are not depreciated.

Depreciation is calculated so as to write off the cost of a tangible asset less its estimated residual value over the estimated useful economic life of that asset on the following basis:

Right-of-use assets	Over the period of the lease, to the break clause assumption
Leasehold improvements	Over the period of the lease on a straight-line basis, to the first break clause
Plant, motor vehicles and equipment	10% to 20% per annum on a straight-line basis
Computer equipment	25% per annum on a straight-line basis
Freehold property	5% per annum on a straight-line basis

Depreciation of property, plant and equipment and right-of-use assets is recognised under cost of sales when the related asset is directly linked to a specific revenue-generating project and under administrative expenses when the related asset is not linked to any revenue-generating projects. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Research and development

Expenditure on research and development is charged to the income statement in the year in which it is incurred, with the exception that the Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset.
- how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Impairment of property, plant and equipment and intangible assets excluding goodwill

Property, plant and equipment and intangible assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable, or where there is any indication that an impairment loss recognised in a previous period either no longer exists or has decreased. When a review for impairment is conducted, the recoverable amount of an asset or a CGU is determined as the higher of fair value less costs to sell and value-in-use. The value-in-use estimate is calculated using discounted cash flows and reviews in conjunction with the carrying amounts of tangible and intangible assets. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Leases

Where the Company is a lessee, a right-of-use asset and lease liability are recognised at the outset of the lease. The lease liability is initially measured at the present value of the lease payments that are not paid at that date based on the Group's expectations of the likelihood of lease extension or break options being exercised. The lease liability is subsequently adjusted to reflect imputed interest, payments made to the lessor and any lease modifications. The right-of-use asset is initially measured at cost, which comprises the amount of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the Group and an estimate of any costs that are expected to be incurred at the end of the lease to dismantle or restore the asset. The right-of-use asset is subsequently depreciated in accordance with the Group's accounting policy on property, plant and equipment. The right-of-use asset is also reviewed for impairment. The amount charged to the income statement comprises the depreciation of the right-of-use asset and the imputed interest on the lease liability. Where a lease is for a term of less than 12 months or the lease is of a low value, the lease cost is recorded as an expense in the income statement when the cost is incurred. Where the Company is a lessor, rental income from operating leases is recognised on a straight-line basis over the term of the lease. Lease income is not considered as part of the core operations of the business, so it is recognised in other income.

Retirement benefit costs

The Group contributes to the personal pension plans of certain employees on a defined contribution basis. The assets of these schemes are held in independently administered funds. The pension cost charged in the financial statements represents the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either prepayments or accruals in the statement of financial position.

Post-employment benefits

In some areas where Mace Consult engine operates, there is a legal requirement to pay an end of service benefit to employees at the end of their employment if they have completed at least one year of employment. The obligation is accounted for as a defined benefit post-employment plan with the expected liability accrued over the term of employment. Remeasurements, comprising actuarial gains and losses, are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Cash-settled share-based payment transactions

Some executive directors and senior managers have been granted share appreciation rights in return for service. The scheme grants the individual a right to a future cash payment equal to the increase in share price between the grant date and the settlement date. The share appreciation rights are accounted for as a cash-settled share-based payment scheme. The fair value of the liability is determined by reference to the fair value of the underlying shares granted and the expected remaining period to settlement. At the grant date and the end of each reporting period, the fair value of the share appreciation rights is remeasured and any change in the fair value of the liability is recognised in the period as a share-based payment expense, with a corresponding increase in liabilities.

Other long-term employee benefits

Long-term incentive plans have been introduced and aim to provide long-term incentives to Group Executive Committee (GEC) members who are not shareholders. The expected cost is recognised only when: 1) the Group has a legal or constructive obligation to make such payments as a result of past events; and 2) a reliable estimate of the obligation can be made.

Part of the benefits are expected to be settled within 12 months and remaining benefits more than 12 months after the reporting period, and the amount is classified as 'long-term incentive accrual' under trade and other payables.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates prevailing in the year.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences; deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the statement of financial position date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity. When current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Development work in progress

Development work in progress is held in relation to Development contracts. Development work in progress is initially stated at cost and then held as the lower of this initial amount and net realisable value. Cost comprises direct materials and, where applicable, direct labour and those overheads that have been incurred in bringing work in progress to its present condition. Cost also includes interest incurred on external borrowings funding the projects, where these are qualifying assets under the IAS 23 requirements for capitalisation of borrowing costs. Net realisable value represents the estimated selling price less all estimated costs of completion.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The principal financial assets and liabilities of the Group are as follows.

a) Financial assets at amortised cost

Trade and other receivables and development loan to joint venture are initially recognised at their transaction price and are subsequently measured at amortised cost less any allowance for expected credit losses. Interest recognised on overdue trade receivables is recognised as other income, within operating profit.

The Group recognises lifetime expected credit losses for trade receivables and contract assets. The expected credit losses on trade receivables and contract assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as anticipated future trading conditions at the reporting date.

The purpose of the development loan to joint venture is to fund related developments with interest rates and commercial terms at arm's length. The related loan covenants are assessed based on the activities and financial performance of the development. Management has assessed all relevant factors and considers that the loan to joint venture does not form part of the Group's net investment in the joint venture and the loan to be reported as a separate financial statement line item as financial assets at amortised cost. Therefore, the development loan to the joint venture is initially recognised at its transaction price and subsequently measured at amortised cost less any allowance for expected credit losses. The Group recognises lifetime expected credit losses in relation to the development loan to the joint venture and the expected credit losses on the development loan to the joint venture are estimated using costs to complete and the recoverable value of the corresponding valuation of the joint venture's development work in progress. Due to the impairment of the joint venture loan receivable to the recoverable amount, further interest income is considered to be irrecoverable and the related interest receivable is impaired immediately after recognition.

Notes to the financial statements

Continued

1. Accounting policies (continued)

b) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with a maturity of three months or less at inception. Bank overdrafts are presented as current liabilities to the extent that there is no right of offset with cash balances.

c) Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment. Any contingent consideration is recognised as an accrual at the acquisition date and is measured at the present value of the expected settlement using a pre-tax discount rate that reflects a current market assessment of the time value of money. The increase in the accrual due to the passage of time is recognised as an interest expense. Any change to the value of contingent consideration identified within 12 months from the acquisition date is reflected in the original cost of the investment if it is a measurement adjustment as defined in IFRS 3. Subsequent changes to the value of contingent consideration are reflected in the statement of comprehensive income.

Subsidiaries are all entities over which the Group has control. This is usually where the Group has a shareholding of more than 50% but other aspects of the relevant arrangements can also give rise to control.

Where the Company or its subsidiaries has significant influence over an entity, normally being more than 20% and less than 50%, then that investment is classified as an associate and is equity accounted for. Joint arrangements in legal entities are classified as joint ventures and are equity accounted for. An equity investment is initially recorded at cost and is subsequently adjusted to reflect the share of the net profit or loss.

Where the joint arrangement is not structured through a separate vehicle it will normally be classified as joint operations. This applies to most of the unincorporated joint arrangements in note 29 other than Dubai Expo 2020, which is structured through a separate vehicle so is treated as a joint venture and amounts are recognised in relation to interest in the joint operation. The Group also assesses the legal form and contractual arrangement between the parties to determine whether the Group has the direct rights to the assets, and obligations for the liabilities of the arrangement. Joint operations accounting includes recognising assets and liabilities based on the Group's share of any assets and liabilities held jointly, recognising revenue from the sale of the Group's share of the output of the joint operation and the Group's share of any expenses incurred jointly.

The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may have reduced. If any such indication exists, the Company makes an estimate of the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. Value in use represents the discounted net present value of expected future cash flows. If the recoverable amount is less than the value of the investment, the investment is considered to be impaired and is written down to its recoverable amount and an impairment loss is recognised immediately in the statement of comprehensive income of the Company.

d) Other investments

This category includes an investment in Finsbury Tower that is an equity investment carried in the statement of financial position at fair value with changes in fair value recognised in the Consolidated Statement of Comprehensive Income as part of operating profit (FVTPL).

e) Trade and other payables

Trade and other payables are not interest bearing and are stated initially at fair value and subsequently held at amortised cost.

f) Bank overdrafts and other borrowings

Interest bearing borrowings are recorded at fair value (which is typically equivalent to the proceeds received) net of direct issue costs and are subsequently measured at amortised cost. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for at amortised cost and on an accruals basis in the statement of comprehensive income using the effective interest method. Interest is added to the carrying value of the instrument to the extent that it is not settled in the period in which it arises.

g) Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations rather than the financial instrument's legal form. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Company has guaranteed the liabilities of certain subsidiaries included within note 30.

h) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

i) Derivative financial instruments

Financial assets and liabilities are recognised on the Group's statement of financial position when the Group becomes party to the contractual provision of the instrument. The Group uses derivative financial instruments to manage its exposure to foreign exchange risks. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. As the Group has not adopted hedge accounting, changes in the fair value of derivative contracts are recognised through profit and loss.

j) Operating cycle

The statement of financial position classifies the Group and Company's assets and liabilities as either current or non-current. In respect of the Group's Construct business, contract related balances are typically classified as current when management expects these to be settled within its normal operating cycle. Management has determined that the normal operating cycle for the Construct business is 43 months (2024: 43 months), being the typical length of a construction contract. For the Group's Consult business, management has determined that the normal operating cycle for the Consult business is 12 months (2024: 12 months). Certain Consult projects have a project length longer than 12 months. Any related assets and liabilities that are expected to be recovered or settled more than 12 months after the year end, will be presented as non-current.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the exchange rates in effect when they take place. Resulting foreign currency denominated assets and liabilities are translated at the exchange rates at the reporting date. Exchange differences arising from foreign currency transactions are reflected in the income statement. The assets and liabilities of overseas subsidiary undertakings are translated at the rate of exchange at the reporting date. Trading profits or losses are translated at average rates prevailing during the accounting period. Differences on exchange arising from the retranslation of net investments in overseas subsidiary undertakings at the year-end rates are recognised in other comprehensive income. On disposal of a foreign operation, the component of OCI relating to that foreign operation is recognised in the income statement. All other translation differences are reflected in the income statement. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Provisions

Provisions for legal claims, defects and warranties and other onerous commitments are recognised at the best estimate of the expenditure required to settle the Group's liability. Provisions are recognised when: i) the Group has a present legal or constructive obligation as a result of a past event; ii) it is probable that an outflow of resources will be required to settle the obligation; and iii) the amount of the obligation can be estimated reliably. Any insurance claims against third parties resulting from legal claims, defects and warranties follow the accounting policy for contingent assets below.

Onerous contract provisions arise when the unavoidable costs of meeting contractual obligations exceed the remuneration expected to be received. Unavoidable costs include total contract costs together with an allocation of other costs that relate directly to fulfilling contracts. The provision is calculated as the lower of the termination costs payable for an early exit and the best estimate of net cost to fulfil the Group's unavoidable contract obligations.

Contingent liabilities

Contingent liabilities are possible obligations arising from past events. The existence of which will only be confirmed by future uncertain events that are not wholly in the Group's control, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably. If the outflow of economic resources is not considered remote, contingent liabilities are disclosed but not recognised in the financial statements.

Contingent assets

Contingent assets are possible assets that arise from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly in the Group's control. Insurance claims are recognised as an asset under IAS 37 when the economic benefit arising from the claims is virtually certain and disclosed as contingent asset when the inflow of economic benefits has become probable. It is probable that these amounts will be recognised in future periods when the uncertainty over their recoverability has been removed.

Insurance contracts

The Group has provided parent company guarantees to certain subsidiary companies. These parent company guarantees provide security to the end customer should the subsidiary company fail to execute their contractual obligations. The parent company guarantee agreement fulfils the definition of an insurance contract under IFRS 17 and is measured based on the fulfilment cash flows defined under IFRS 17. Any provisions related to intra-group insurance contracts are eliminated in the Group financial statements.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an Annual General Meeting.

Use of non-GAAP measures

In the reporting of financial information, the Group uses certain measures that are not required under IFRS, the Generally Accepted Accounting Principles (GAAP) under which the Group reports. The Group believes that operating profit before exceptional items provides additional useful information on underlying trends to the users of the financial statements. This non-GAAP measure is used by the Group for internal performance analysis. The terms 'exceptional items' and 'operating profit before exceptional items' are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for, or superior to, GAAP measures. The separate reporting of exceptional items, which are presented as exceptional within their relevant income statement category, helps to provide an indication of the Group's underlying business performance. The principal items which are included as exceptional items are non-trading items such as acquisition related costs, profits and losses on the disposal, closure or impairment of subsidiaries, joint ventures, associates, joint operations and investments or other exceptional write-offs or impairments. The term 'operating profit before exceptional items' refers to the relevant measure being reported for continuing operations excluding exceptional items.

2. Significant accounting estimates and judgements and key sources of uncertainty

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. Estimates and judgements are continually made and based on historic experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The directors believe the following to be key areas of estimation and judgement.

Sources of estimation uncertainty:

a) Revenue and cost to complete

To determine the revenue that the Group recognises on its fixed price construction contracts in the reporting period, the Group has to assess the final contract value, the anticipated costs to complete, and the costs incurred as at the year end, each of which require a degree of estimation.

Although the main contract estimation risk lies within the Group's fixed price construction contracts, judgements are also made regarding the level of disallowable costs incurred on cost reimbursable contracts which directly impact the revenue recognised.

Final contract value

The valuation of the contract requires professional judgement and estimation, owing to continuous modifications throughout the duration of the project. These modifications may occur due to alterations to the scope of work, changes in the valuation of existing scope, or amendments to the project programme.

At year end, the estimation of final contract value includes assessments of the recovery of variations which have yet to be agreed with the client, but met the criteria set out in the Group's accounting policies and are in accordance with IFRS 15 'Revenue from Contracts with Customers'. The variable consideration recognised is the amount which is highly probable not to result in a significant reversal in the future. At the reporting date, revenue recognised in respect of unagreed variations, across a significant sample of projects representing 53% of 2025 Construct revenue (2024: 61%), accounted for 2.41% (2024: 1.72%) of total contract revenue.

In certain instances, the overall contract value may include amounts determined by qualified experts of the Group regarding the recovery of claims and compensation events, provided it is highly probable that recognition of these amounts will not lead to significant future reversals. Additionally, management is required to estimate the potential value of any liquidated damages that may be levied due to non-compliance with contractual obligations.

Anticipated costs to complete

The largest components of the costs to complete are the agreed subcontract sums, which have a low level of estimation uncertainty. The costs to complete may also include provisional sums and provisions for cost, both of which require estimation and judgement. Provisional sums arise when no subcontract has been entered into at the contract date, and so estimates of the likely cost are required for the purposes of establishing costs to complete, until such time that subcontracts are entered into and the ultimate cost can be determined. Generally provisional sums are a minor component of the overall contract value, due to the inherent risk of entering into contracts without having certainty of the outturn cost.

However, as with the assessment of final contract value, the estimation of costs to complete includes assessments, made by qualified experts of the Group, of the recovery of variations which have yet to be agreed with the subcontractor.

Costs incurred as at the year end

Costs incurred as at the year-end consist of amounts for works that have been certified and invoiced, and amounts for works completed but not yet certified. Qualified experts estimate the value of completed works reflected in costs incurred at year-end and, consequently, the percentage of completion of the contractual obligations. The assessment of works completed at a specific point in time necessitates estimation and professional judgement.

In the normal course of business, disagreements can arise between the Group and its customers and/or subcontractors on the contractual entitlement to, and/or valuation of, contract variations and loss and expense claims, impacting the assessment of final contract value, anticipated contract costs, and costs incurred as at the year end.

The Group formulates its best estimate of the final contract positions based on the commercial discussions with the clients and subcontractors, supported by Group and/or third-party expert analysis. The risks associated with this uncertainty are mitigated by the cumulative judgements and estimates made across the Group's portfolio of fixed price construction contracts, group level controls designed to challenge the judgements and estimates taken, and management's experience valuing contract positions.

b) Provisions, contingent liabilities and contingent assets

Contract provisions are made in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and are measured at the best estimate of the expenditure required to settle obligations present at the reporting date. Contract provisions may include estimates of remediation works that could be required where defects are present or where insurance claims have been made. The assessment of this cost at each year end is based on best estimates made by experienced senior managers, on an individual contract basis and with reference to relevant contract provisions and insurance excess premiums. The range of potential outcomes on contract provisions as a result of uncertain future events could result in a materially positive or negative swing to profitability and cash flow. Where the cost cannot be measured reliably and the likelihood of incurring the cost is only considered possible rather than probable, estimated amounts are disclosed as contingent liabilities, details of which are disclosed in note 20. Due to the level of uncertainty, and the combination of variables and timings across a large portfolio of complex contracts, it is impractical to provide a quantitative analysis of the sensitivity of estimates that are applied.

Legal provisions are made using the directors' best judgements and estimates of known legal claims, investigations and legal actions relating to the Group which are considered more likely than not to result in an outflow of economic benefit. If the directors consider that a claim, investigation or action relating to the Group is unlikely to succeed, no provision is made. In the unlikely event that the directors cannot make a reliable estimate of a potential, material obligation, no provision is made but details of the claim are disclosed as a contingent liability. Details of contingent liabilities recognised in the year are disclosed in note 20.

Recoveries of amounts from insurers or third parties are treated as a deduction of cost rather than as revenue and are only recognised when recovery is deemed to be virtually certain. Management mitigates the degree of uncertainty by ensuring estimates of recovery are produced by suitably qualified individuals and are subject to thorough review by senior management. Insurance recoveries that are considered probably recoverable but not virtually certain are disclosed as contingent assets. Details of contingent assets recognised in the year in relation to insurance matters are disclosed in note 20.

The Group discloses contingent assets in relation to claims against third parties for the reimbursement of costs on construction contracts. As at 31 December 2025, there were no ongoing matters that are disclosed as contingent assets (2024: nil). Under IAS 37 these amounts may only be recognised when the economic benefit arising from the claims is virtually certain. It is probable that these amounts will be recognised in future periods when the uncertainty over their recoverability has been removed.

c) Valuation of development work in progress and impairment of loan to joint venture

The key estimates in determining the net realisable value of land and work in progress are estimates of costs to complete; and the recoverable value.

These assessments include a degree of uncertainty. Reliance is placed on current offers when assessing the market value at the balance sheet date. These valuations are compared against the carrying amount of the asset. Where the carrying amount is higher than the net realisable value, write-downs of land and work in progress may be necessary. The same estimates extend to the carrying amount of the loan to joint venture as the repayment of the loan is dependent on the valuation of the joint venture's development work in progress. The work in progress assets reported by the joint venture have been written down to net realisable value and are therefore sensitive to changes in market conditions impacting the valuation. A reduction in market value will therefore result in further impairment of the loan receivable from the joint venture. A change in market conditions is not expected to have a material impact on other balances in work in progress at the balance sheet date.

The balance of work in progress assets and the loan to the joint venture at the balance sheet date are detailed in note 18.

d) Goodwill

The Group has significant goodwill in respect of its Construct CGU. Determining whether the related goodwill is impaired requires an estimation of the value in use of the Construct CGU to which the goodwill has been allocated.

The value in use valuation on Construct CGU requires an estimate to be made of the timing and amount of future cash flows expected to arise from the CGU and the application of a suitable discount rate in order to calculate the net present value. Cash flow forecasts for the next five years are based on the Group's budgets and forecasts.

Other key inputs in the assessments are revenue growth, operating margin and discount rates. The significant assumptions are set out in note 14.

e) Fair value of investments

The investment in Finsbury Tower is valued at fair value using a discounted cash flow approach, the inputs of which are determined using forecasts where management judgement is applied in relation to assumptions on the timing for completion and exiting the investment, as well as the estimated rental amount and the expected rental yields used for determining the value of the return on investment. A £4.2m undiscounted loss on investment is based on the expected rental yield and the assumption of realising the investment in early 2027, factoring in the potential for delays with a project of this scale. The timing for completion and exiting the investment, and the expected rental yields, are considered significant assumptions. A one-year delay in the exit date assumption would increase the loss by £0.42m. A decrease in the exit yield in completion of 0.25% would also increase the value of the investment by £1.4m. An increase in the exit yield of 0.25% would also decrease the value of the investment by £1.7m. The movements on investments in the year, including fair value adjustments, are presented in the investment note 15.

Judgements made in applying accounting policies:

a) Exceptional items

Exceptional items are reported separately in order to calculate adjusted results, as the Group believes these adjusted measures provide additional useful information on continuing performance and trends. Judgement is required in determining whether an item should be classified as an exceptional item. The definition of exceptional items is outlined in note 1.

3. Financial risk management

General

The Group has exposure to the following financial risks from its contracts with clients and suppliers and its use of financial instruments:

- a) Interest rate risk;
- b) Credit risk;
- c) Liquidity risks; and
- d) Foreign currency and exchange rate risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management programme focuses on the unpredictability of financial markets and the markets in which the Group operates, and seeks to minimise potential adverse effects on the Group's financial performance.

The Group and Company operate within financial risk policies and procedures approved by the Board. It is, and has been throughout the year, the Group's policy that no trading in financial instruments shall be undertaken. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Group and Company financial instruments principally comprise bank borrowings, cash and cash equivalents, receivables and payables.

a) Interest rate risk

On 9 January 2024 the Company extended a £10m unsecured three-year revolving credit facility from BBVA until January 2026.

On 25 July 2024 the Company procured two four-year committed liquidity facilities. The two facilities are:

- A £18m unsecured commercial facility from JPMorgan Chase; and
- A £72m unsecured loan facility provided by JPMorgan Chase and with the support from the UK Export Finance.

The facilities are guaranteed by the Company and the material subsidiaries of the Company. The balance of external debt before unamortised loan fees as at 31 December 2025 was £82.5m (2024: £90m). The BBVA facility was undrawn as at 31 December 2024 and was cancelled on 8 July 2025. As part of the demerger, the bank loans have been repaid and related facilities have been cancelled on 5 March 2026.

The interest rates that are applied to liquidity facilities are calculated as SONIA plus a margin. Therefore the interest rates are variable. A 1% increase in SONIA in the year ended 31 December 2025 would have decreased equity and profit or loss by £0.8m and £0.8m respectively.

As at 31 December 2025 the Company had director loans, shareholder loans and ex-shareholder loan and related unpaid interest with an assessable value of £22.8m (2024: £25.5m). The interest rates of director loan, shareholder loans and ex-shareholder loan are fixed. Loans due to directors, shareholders and ex-shareholder are unsecured, repayable depending on the future performance of the Group, and bear interest at a rate of 12% (2024: 12%). As part of the demerger, the director loans, shareholder loans and ex-shareholder loan have been repaid on 5 March 2026.

b) Credit risk

The Group's credit risk as at 31 December 2025 is primarily attributable to its trade receivables and other current assets in the Continuing Operations with the exception of cash and cash equivalents, which are predominantly held with JPMorgan Chase, in respect of which, the credit risk arising is considered to be low. The maximum exposure to credit risk at the reporting date is the book value of each class of receivable listed in note 17.

The directors do not consider the Group to have any significant concentration of risk in respect of trade receivables, contract assets or contract receivables at the balance sheet date. The diversified operating model of the Group is intended to safeguard the business from risk and consequently receivables are spread across a wide range of clients, geographies and sectors.

The amount of trade receivables presented in the consolidated balance sheet is net of expected credit losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables, contract assets and contract receivables. The Group applies the IFRS 9 general approach to measuring expected credit losses for the development loan to joint venture.

To measure expected credit losses, trade receivables, contract assets and contract receivables have been grouped based on shared or similar credit risk characteristics and the days past due that the Group has determined to be relevant based on geographical location and customer profile.

The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables. Therefore, the Group has concluded that the expected loss rates for the 'not yet due' category is a reasonable approximation of the loss rates for the contract assets. The provision rate across the Group ranges from 0% to 43% (2024: 0% to 20%).

The expected loss rates are based on a 12-month rolling assessment, on the payment profiles of credit sales over a period of 24 months ending on 31 December 2025 and the credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified customer type, the sector and geographical location of the customer, and the economic outlook to be the most relevant factors. Accordingly historical loss rates are adjusted based on expected changes in credit risk associated with these factors.

Accordingly, provisions for expected credit losses amounted to £1.2m (2024: £2.1m) in respect of total overdue trade receivables of £22.8m (2024: £70.7m). The expected credit loss for contract receivables is not material. The ageing of the debt is included in note 17.

Due to the nature of the Group's operations, some contracts entitle clients to hold retentions in respect of projects in progress or completed projects. Retentions held by clients at 31 December 2025 were £130.8m (2024: £131.2m). The Group manages the collection of retentions throughout the duration of projects and during its post completion project monitoring procedures which ensure that potential issues that could lead to the non-payment of retentions are identified and addressed promptly. At the reporting date £76.0m (2024: £72.1m) of retentions held by clients were due in more than one year under the terms of the relevant contracts. Unlike trade receivables, the ageing of these balances is not an indicator of impairment and hence recoverability has been assessed based on the individual characteristics of the contract counterparty and the nature of the project, as well as the current and future anticipated trading conditions. Accordingly, the directors believe that no significant credit provision is required on these balances.

Credit risk also arises for the Company by virtue of the receivables due from related parties, being other Group companies. The assessment of credit risk relating to these receivables is performed on a regular basis, specifically with reference to the future viability of the entity's ability to repay the amounts owed. In the event that the entity is unlikely to generate sufficient cash to repay the amount owed, the Company will impair or write off the amount in the reporting period. Credit risk in regard to related parties is managed carefully as part of the Group's wider capital management policy. Of the amounts owed by related parties, the receivable owed by the Botley joint venture in respect of shareholder loan and accrued interest attracts the highest concentration of credit risk, due to the size and nature of the investment. At the balance sheet date, the Group was owed £88.7m (2024: £81.1m) by the Botley group of companies. Following a valuation exercise that was informed by the work of a third-party valuer, the directors have provided £76.8m (2024: £55.9m) against the loans and interest. Details of the valuation of loan to joint venture can be found in note 2. At the reporting date, there were no trade and other receivables which have had renegotiated terms that would otherwise have been past due.

c) Liquidity risk

The Group seeks to manage liquidity risk to ensure sufficient liquidity is available to meet the requirements of the business and to invest cash assets safely and profitably. The Board reviews available cash regularly to ensure there are sufficient resources for working capital requirements. The following table summarises the maturities of the Group Continuing Operations' undiscounted financial liabilities at the reporting date, based on contractual payment dates.

	31 December 2025 £000s			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade and other payables	810,680	–	–	810,680
Contract liabilities: purchase retentions	47,681	55,099	–	102,780
Bank borrowings	19,000	63,500	–	82,500
Director loans	–	11,220	–	11,220
Shareholder loans and ex-shareholder loan	–	11,550	–	11,550
Accrued interest on bank borrowings	516	–	–	516
Lease liabilities	4,914	15,674	3,879	24,467
Total	882,791	157,043	3,879	1,043,713

	31 December 2024 £000s			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade and other payables	825,936	–	96	826,032
Contract liabilities: purchase retentions	55,960	44,848	–	100,808
Bank borrowings	7,500	82,500	–	90,000
Director loans	–	14,280	–	14,280
Shareholder loans and ex-shareholder loan	–	11,220	–	11,220
Accrued interest on bank borrowings	1,408	–	–	1,408
Lease liabilities	8,060	21,523	7,763	37,346
Total	898,864	174,371	7,859	1,081,094

d) Foreign currency and exchange rate risks

Due to the Group's geographical spread it is exposed to changes in national economic conditions, exchange rate fluctuations and local trading restrictions. However, the Group employs local people and suppliers and has established local operating companies in each of its global hubs so that its exposure to exchange rate changes can be managed and it can maintain the necessary knowledge of local business environments.

Including discontinued operations, the Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The exposure to exchange rate risks of the continuing operations is minimal as the operations are largely GBP denominated. A 10% strengthening of sterling against the following currencies at 31 December 2025 and 2024 would have decreased equity and profit or loss by the following amounts:

	2025 £000s		2024 £000s	
	Profit or loss	Equity	Profit or loss	Equity
Canadian Dollar	(658)	(722)	(459)	(370)
United Arab Emirates Dirham	(499)	(743)	(480)	(1,981)
Peruvian Nuevo Sol	(377)	(762)	(604)	(723)
Euro	(5,274)	(2,264)	4,271	2,775
United States Dollar	(325)	(1,589)	57	(1,214)
Saudi Riyal	(1,962)	(4,170)	(1,201)	(2,449)
Icelandic Krona	(232)	(209)	(187)	(725)

A 10% weakening of sterling against these currencies would have an opposite effect. A common analysis basis has been applied for both 2025 and 2024. This analysis assumes that all other variables, particularly interest rates, remain unchanged. The sensitivity is regarded as being representative of the risks to which the Group was exposed during the year.

3. Financial risk management (continued)

General (continued)

At 31 December 2025, including cash and cash equivalent held in the disposal group, the Group held AED 16.0m, SAR 64.5m, CAD 12.0m, USD 24.2m and EUR 30.3m and some smaller foreign currency balances in cash at bank. A 10% strengthening of sterling against these currencies at 31 December 2025 would have resulted in losses of £0.3m, £1.3m, £0.7m, £1.8m, £2.6m respectively. The exposure to exchange rate risks of the continuing operations is minimal as the operations are largely GBP denominated.

At 31 December 2024, the Group held AED 59.5m, SAR 41.4m, CAD 10.0m, PHP 206.2m and CHF 3.0m and some smaller foreign currency balances in cash at bank. A 10% strengthening of sterling against these currencies at 31 December 2024 would have resulted in losses of £1.3m, £0.9m, £0.6m, £0.3m, and £0.3m, respectively.

Capital management

The Group's policy is to maintain and develop a strong and flexible capital base in order to maintain investor and creditor confidence. Similar policies apply to individual business divisions so as to minimise demands for routine trading activities on finance obtained at Group level. The capital structure of the Group consists of cash and cash equivalents, equity and debt. At 31 December 2025 the Group had £82.5m external debt before unamortised loan fees, excluding overdrafts and lease liabilities (2024: £90m), and shareholder loans, ex-shareholder loan and director loans of £22.8m (2024: £25.5m). Shareholder loans, ex-shareholder loan and director loans have been raised in 2024 to enable the Group to purchase its own shares. As part of the demerger, the bank loans, director loans, shareholder loans and ex-shareholder loan have been repaid on 5 March 2026.

The Group is funded by ordinary shares, retained profits, and external borrowing. Group and Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain a robust and efficient capital structure. The capital requirements of the Group's activities differ, property development typically requires equity and debt, consultancy typically requires working capital, and construction is typically cash generative. The economic cycle of each business is different. The Group manages its capital taking these differing requirements into account. The Group's liquidity facilities are subject to interest cover and gearing covenants, both of which were met at the signing date.

Fair values

The investment in Finsbury Tower (note 15: other investments), represents an investment in 8.1% of the ordinary shares of the company that owns a development scheme. The shares have no voting rights. As there is no control or significant influence in this investment. It is classified as an equity investment under IFRS 9 and held at fair value. The valuation as at 31 December 2025 is based on a level 3 hierarchy, given there is no observable input for the asset in 2025. The valuation was based on a discounted cash flow approach, referencing estimated rental amounts and rental yield from the investment to the Group, which is expected to be what a similar market participant would achieve from the investment. The investment has been reviewed and revalued at the year end. Based on latest forecasts there has been a reduction of £0.093m in the carrying value at 31 December 2025. There is no difference between the book value and fair value of other financial assets and liabilities due to the short-term nature of these instruments.

Deferred and contingent consideration was recognised in 2023 in relation to the disposal of Mace Operate Limited. Deferred consideration is not contingent on any events and the receivable is classified as an asset measured at amortised cost under IFRS 9. The contingent consideration is contingent on the net asset threshold being met, the receivable is classified as an asset measured at fair value through profit and loss under IFRS 9 and held at fair value, the valuations were based on a discounted cash flow approach, referencing the expected timing of receipt of the consideration. The valuations as at 31 December 2025 and 2024 are based on a level 3 hierarchy, given there is no observable input for the asset.

The following table presents the changes in level 3 items for the year ended 31 December 2025::

	Contingent consideration £000s	Other investments £000s	Total £000s
At 1 January 2025	2,027	5,807	7,834
Fair value gains/(losses) recognised in profit and loss	156	(93)	63
At 31 December 2025	2,183	5,714	7,897

Categorisation of financial instruments and fair value of other financial assets and liabilities

	2025 £000s	2024 £000s
Financial assets		
Financial assets at fair value	7,897	7,834
Financial assets at amortised cost	710,909	723,864
Cash and cash equivalents	204,603	320,164
Financial liabilities		
Borrowings including future interest commitments	82,155	88,969
Bank overdrafts	–	57,001
Financial liabilities measured at amortised cost	823,741	823,834

Prepayments and accrued income are excluded from financial assets at amortised cost. Statutory liabilities, deferred income and payments on account are excluded from financial liabilities measured at amortised cost. There is no difference between the book value and fair value of other financial assets and liabilities.

4. Divisional analysis

Revenue

An analysis of the Group's revenue is as follows:

	2025 £000s	2024 £000s
Continuing operations:		
UK & Europe	2,363,250	2,158,254
Less: Intercompany trading	(53,492)	(66,222)
Total revenue	2,309,758	2,092,032

General

For management purposes, in 2024 the Group had two Engines for growth (Consult and Construct). Legacy Development assets and Group Services, including the corporate overheads and support, were grouped under Other as shown below. In 2025, following the announcement of the de-merger of the Consult engine, the Group will have one Engine for growth (Construct) and continue to include Legacy Development assets and support overheads grouped under Other. This aligns with the basis on which the Group reports information to the Board.

The Board assesses the performance of the divisions based on management accounts which reflect the allocation of cross charges, interest, depreciation and amortisation. The adjustments exclude the effects, if any, of non-recurring expenditure from the operating divisions such as restructuring costs, legal expenses and goodwill impairments resulting from any isolated, non-recurring event.

2025	Construct £000s	Other £000s	Total £000s
Group revenue	2,307,183	2,575	2,309,758
Cost of sales	(2,177,192)	(4,794)	(2,181,986)
Gross profit/(loss)	129,991	(2,219)	127,772
Administrative expenses	(90,939)	(31,021)	(121,960)
Other income	–	589	589
Fair value gain on financial instruments measured at FVTPL	–	63	63
Operating profit/(loss) before exceptional items	39,052	(32,588)	6,464
Exceptional impairment loss to joint venture	–	(15,993)	(15,993)
Exceptional items – others	–	(43,690)	(43,690)
Operating profit/(loss)	39,052	(92,271)	(53,219)
Share of net profit of joint ventures	–	–	–
Profit on disposal of subsidiaries	–	–	–
Profit/(loss) before interest	39,052	(92,271)	(53,219)
Net finance income/(expense)	1,949	(10,606)	(8,657)
Profit/(loss) before tax from continuing operations	41,001	(102,877)	(61,876)

2024	Construct £000s	Other £000s	Total £000s
Group revenue	2,088,222	3,810	2,092,032
Cost of sales	(2,020,356)	(7,079)	(2,027,435)
Gross profit/(loss)	67,866	(3,269)	64,597
Administrative expenses	(63,485)	(29,306)	(92,791)
Other income	–	669	669
Fair value loss on financial instruments measured at FVTPL	–	(719)	(719)
Operating profit/(loss) before exceptional items	4,381	(32,625)	(28,244)
Exceptional impairment loss to joint venture	–	(6,625)	(6,625)
Operating profit/(loss)	4,381	(39,250)	(34,869)
Share of net loss of associates and joint ventures	–	(26)	(26)
Profit on disposal of subsidiaries	–	260	260
Profit/(loss) before interest	4,381	(39,016)	(34,635)
Net finance income/(expense)	1,202	(11,179)	(9,977)
Profit/(loss) before tax from continuing operations	5,583	(50,195)	(44,612)

4. Divisional analysis (continued)

A further analysis of the Group's Construct revenue is as follows:

	2025 £000s	2024 £000s
Fixed Price & Cost Reimbursement	2,252,808	2,052,018
Construction Management	54,375	36,204
Total revenue	2,307,183	2,088,222

Inter-divisional sales are carried out at open market rates. Income from three major clients in relation to Construct projects amounted to 30% (2024: 25%) of total Group revenue during 2025.

Key balance sheet items by division:

2025 balance sheet

	Construct £000s	Other £000s	Total £000s
Goodwill	52,240	5,390	57,630
Contract assets	130,667	150	130,817
Loans to joint ventures	–	22,071	22,071
Contract receivables	49,094	430	49,524
Contract liabilities	(246,345)	(3,734)	(250,079)
Bank borrowings after unamortised loan fees	–	(82,155)	(82,155)

2024 balance sheet

	Consult £000s	Construct £000s	Other £000s	Total £000s
Goodwill	80,092	52,240	5,390	137,722
Contract assets	31,342	163,413	150	194,905
Loans to joint ventures	–	–	25,984	25,984
Contract receivables	32,363	75,430	730	108,523
Contract liabilities	(21,308)	(214,722)	(929)	(236,959)
Bank borrowings after unamortised loan fees	–	–	(88,969)	(88,969)

5. Revenue

At the end of the period there was revenue still to be recognised on projects where performance obligations were unsatisfied due to the nature of the long-term contracts, where revenue is recognised over time.

The time bands below present the likely consideration value of secured contracts but may be subject to future modifications that impact the amount and/or timing of revenue recognition.

The following table provides the aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied at the year end.

	2025 £000s	2024 £000s
Due in less than one year	1,523,013	2,501,074
Due in one to five years	566,304	959,540
Due in more than five years	170,070	–
Total revenue	2,259,387	3,460,614

6. Operating profit and EBITDA

	2025 £000s	2024 £000s
Operating profit (Continuing Operations) is stated after charging:		
Depreciation of owned assets	3,521	2,635
Depreciation of right-of-use assets	2,586	2,767
Amortisation	3,129	3,036
Research and Development expenditure*	78,766	42,812
Share-based payments	21,029	983
Short-term lease rentals		
Land and buildings	692	943
Motor vehicles	–	158
EBITDA – Continuing Operations and Discontinued Operations**		
Loss before interest – Continuing Operations	(53,219)	(34,635)
Profit before interest – Discontinued Operations (note 22)	60,838	86,338
Depreciation of property, plant and equipment (note 13)	9,138	8,572
Amortisation of intangible assets (note 14)	3,874	3,577
	20,631	63,852

* Research and development expenses primarily relate to staff costs associated with the R&D activities undertaken by the Group's staff. No amounts are capitalised in respect of research and development activities.

** The Group uses profit before interest and tax of Continuing Operations and Discontinued Operations as the basis for calculating EBITDA. Including profits and losses from joint ventures and associates is considered appropriate given the Group has a number of joint ventures as part of its operations.

During the year the Group (including its overseas subsidiaries) obtained the following services from the Company's auditor and its associates

	2025 £000s	2024 £000s
Fees payable to the Company's auditor for the audit of:		
Company and consolidated accounts (UK based)	1,500	1,467
UK statutory entities	536	517
Overseas statutory entities	184	155
Additional audit fees for prior period	50	66
	2,270	2,205
Non-audit fees:		
Covenant compliance audit	–	40
Award verification	25	–
	2,295	2,245

7. Other income

	2025 £000s	2024 £000s
Government grants	212	294
Property income	377	210
Property management service charges	–	152
Other income	–	13
	589	669

8. Finance income and costs

	2025 £000s	2024 £000s
Bank and other interest receivable	4,291	1,421
Interest receivable on deferred consideration	184	173
Total finance income	4,475	1,594
Bank and other interest payable	(7,926)	(9,069)
Interest on director loans (note 21)	(1,520)	(280)
Interest on shareholder loans and ex-shareholder loan (note 21)	(1,312)	(220)
Amortisation of loan fees	(742)	(157)
Interest expense for lease arrangements	(1,632)	(1,845)
Total finance costs	(13,132)	(11,571)

Due to the impairment of the joint venture loan receivable to the recoverable amount, further interest income of £4.9m (2024: £4.8m) is considered to be irrecoverable and the related interest receivable is impaired immediately after recognition (note 11).

9. Directors' remuneration

The total amount of directors' remuneration in respect of their qualifying services is as below:

	2025 £000s	2024 £000s
Remuneration for services (including benefits)	3,773	5,109
Share-based payment	12,355	66
Performance related remuneration	1,069	–
Defined contribution pension contributions	–	12
	17,197	5,187

No pension contributions were made on behalf of the directors (2024: 3).

Directors' remuneration includes the following amounts in respect of the highest paid director:

	2025 £000s	2024 £000s
Remuneration for management services (including share-based payment)	7,174	1,119
	7,174	1,119

The statutory directors and members of the GEC are considered to be the key management personnel. The total amount of key management personnel compensation is as follows:

	2025 £000s	2024 £000s
Short-term employee benefits	5,826	6,973
Post-employment benefits	370	121
Performance related remuneration	1,069	–
Termination benefits	–	465
Share-based payments (note 25)	21,029	983
	28,294	8,542

10. Staff costs and numbers

Staff costs of the Group (including discontinued operations) were as follows:	2025 £000s	2024 £000s
Aggregate gross wages and salaries	708,095	614,369
Employer's social security costs	53,706	48,480
Other pension costs	52,018	46,909
Share-based payments (note 25)	21,029	983
	834,848	710,741
Capitalised staff costs	–	50
Staff costs of the Group	834,848	710,791
Less: staff costs (discontinued operations)	(508,823)	(451,687)
Staff costs (continuing operations)	326,025	259,104

Average monthly number of persons employed by the Group during the year

	2025	2024
Corporate support services	292	289
Project delivery staff	7,107	6,806
	7,399	7,095
The total number of direct employees as at the reporting date was	7,540	7,326

* The average number of the persons employed by the Group includes the number of persons employed by discontinued operations. The total number of direct employees employed by discontinued operations as at 31 December 2025 and 2024 was 5,313 and 5,102 respectively. The note has been re-presented to reflect staff costs of continuing operations and discontinued operations for the year ended 31 December 2024.

11. Exceptional items

	2025 £000s	2024 £000s
Impairment loss on loan to joint venture	(15,993)	(6,625)
Cash-settled share-based payment cost (note 25)	(21,029)	–
Restructuring and separation costs	(22,661)	–
	(59,683)	(6,625)

Impairment loss on loan to joint venture

Following a valuation exercise that was informed by the current offers, a provision against loan and accrued interest due from the Botley joint venture has been made. The provision is considered to be exceptional as the underlying factors which triggered the impairment in each year are assessed to be non-recurring.

Cash-settled share-based payment

In 2025, in anticipation of the planned demerger, the share appreciation rights scheme has been terminated. The relevant individuals have surrendered their share appreciation rights in exchange for cash consideration. The cash consideration is based on the total valuation of the Consult and Construct business, and the cash consideration was settled one month after the completion of the sale of the Consult business to a third party investor. See note 22 for details.

These costs are considered non-recurring in nature and do not form part of the Group's underlying operating performance.

Restructuring and separation costs

In 2025, as a result of the planned demerger of Consult, the Group incurred restructuring and separation costs to execute the demerger of the Consult engine. The costs incurred comprise £20m legal and professional fees and £2m of employee-related restructuring costs.

These costs are considered non-recurring in nature and do not form part of the Group's underlying operating performance.

12. Tax on profit on ordinary activities

a) Analysis of Group charge in year

	2025 £000s	2024 £000s
Current tax		
UK corporation tax at 25% (2024: 25%)	(27)	10,842
Pillar II top-up tax	–	304
Adjustments in respect of previous years	(1,132)	2,274
	(1,159)	13,420
Foreign tax	15,710	12,285
Withholding tax	517	–
Adjustments in respect of previous periods	(1,005)	(911)
Total current tax expense	14,063	24,794
Deferred tax		
Origination and reversal of temporary differences	(10,519)	(5,117)
Adjustments in respect of previous periods	3,661	(893)
Total deferred tax credit	(6,858)	(6,010)
Total tax expense (note 12(b))	7,205	18,784

b) Factors affecting Group tax charge for the year

The tax assessed for the period is higher (2024: higher) than the standard rate of corporation tax in the UK (2025: 25%; 2024: 25%). The differences are explained below:

	2025 £000s	2024 £000s
Loss on ordinary activities before tax from continuing operations	(61,876)	(44,612)
Profit before taxation from discontinued operations	63,403	87,763
	1,527	43,151
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%)	382	10,788
<i>Effects of:</i>		
Expenses not deductible for tax purposes	12,372	2,949
Income not taxable	(2,578)	(3,558)
Non-taxable disposal of investments	–	164
Withholding tax deduction	511	416
Different rates of tax on overseas earnings	(1,805)	(2,252)
Research and development expenditure credit	208	594
Movement in temporary differences not recognised in deferred tax	(2,993)	8,893
Impact of deferred tax rate movements	(416)	16
Pillar II top-up tax	–	304
Adjustments to tax charge in respect of previous years – UK taxation	(1,132)	2,274
Adjustments to tax charge in respect of previous periods – overseas taxation	(1,005)	(911)
Adjustments to tax charge in respect of previous periods – deferred tax	3,661	(893)
Total tax charge for the year (note 12(a))	7,205	18,784
Analysed by:		
Total tax (credit)/ expense for the year – continuing operations	(6,588)	7,892
Total tax expense for the year – discontinued operations	13,793	10,892

Effective tax rate

The Group is present in a number of jurisdictions and its effective tax rate is subject to various factors outside of the Group's control. The effective tax rate of the year ended 31 December 2025 was 471.9% (2024: 43.5%), which is higher than the anticipated effective tax rate for the Group due to significant expenses not deductible for tax purposes.

Deferred taxes – Group

Deferred tax assets	Fixed asset temporary differences £000s	Short-term temporary differences £000s	Losses carried forward £000s	Total £000s
At 1 January 2024	11	2,377	2,476	4,864
Reclassification	(126)	(838)	573	(391)
(Charged)/credited to:				
Profit and loss	1,631	2,437	1,239	5,307
Deferred tax through equity	–	56	(28)	28
Effect from foreign exchange	(1)	41	(88)	(48)
At 31 December 2024	1,515	4,073	4,172	9,760
(Charged)/credited to:				
Profit and loss	(59)	373	6,594	6,908
Deferred tax through equity	–	(24)	–	(24)
Effect from foreign exchange differences	7	374	(113)	268
Reclassification to assets held for distribution (note 22)	(79)	(3,874)	(6,637)	(10,590)
Reclassification	(1,384)	(37)	–	(1,421)
At 31 December 2025	–	885	4,016	4,901

Deferred tax liabilities	Fixed asset temporary differences £000s	Short-term temporary differences £000s	Others £000s	Total £000s
At 1 January 2024	1,411	521	–	1,932
Reclassification	(151)	(240)	–	(391)
(Charged)/credited to:				
Profit and loss	(483)	(210)	(10)	(703)
Effect from foreign exchange	–	(8)	11	3
At 31 December 2024	777	63	1	841
(Charged)/credited to:				
Profit and loss	(120)	170	–	50
Effect from foreign exchange differences	(1)	(17)	(1)	(19)
Reclassification to assets held for distribution (note 22)	(1,117)	(179)	–	(1,296)
Reclassification	1,258	(37)	–	1,221
At 31 December 2025	797	–	–	797

Deferred tax reported in equity relates to foreign exchange movements on deferred tax held in subsidiaries whose functional currency is not the Group's presentational currency of GBP. This movement is included in the retranslation gains and losses reported in the consolidated statement of changes in equity.

Deferred taxes – Company

Deferred tax	Fixed asset temporary differences £000s	Short-term temporary differences £000s	Losses carried forward £000s	Total £000s
At 1 January 2024	–	(78)	233	155
(Charged)/credited to profit and loss	–	551	(233)	318
At 31 December 2024	–	473	–	473
(Charged)/credited to profit and loss	–	(227)	–	(227)
At 31 December 2025	–	246	–	246

The Company has incurred a taxable loss in the United Kingdom in 2025, the utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences. As the Group expects to generate taxable profits to be utilised in the future, supported by contracted revenue pipelines and approved business plans, and deferred tax asset has been recognised and the asset will be utilised through group relief.

12. Tax on profit on ordinary activities (continued)

Tax losses carried forward

Tax losses for which no deferred tax asset was recognised:

	2025		2024	
	Gross amount £000s	Tax effected £000s	Gross amount £000s	Tax effected £000s
<i>Tax losses expiring:</i>				
Within 10 years	–	–	3,597	288
Available indefinitely	64,945	16,913	71,377	17,529
	64,945	16,913	74,974	17,817

13. Property, plant and equipment

Group	Freehold property £000s	Property right-of-use assets £000s	Leasehold improvements £000s	Computer equipment & IT systems £000s	Plant, motor vehicles & equipment £000s	Asset under construction £000s	Total £000s
Cost							
At 1 January 2024	1,011	47,792	12,050	14,993	1,128	–	76,974
Additions	–	5,435	1,616	2,719	408	1,271	11,449
Disposals	(1,029)	(1,966)	(522)	(5,109)	(187)	(766)	(9,579)
Exchange differences	18	44	(9)	34	68	–	155
At 31 December 2024	–	51,305	13,135	12,637	1,417	505	78,999
Additions	–	5,475	40	2,465	221	–	8,201
Reclassification	–	–	–	–	–	(48)	(48)
Classified as held for distribution	–	(9,688)	(1,996)	(4,354)	(1,303)	–	(17,341)
Disposals	–	(4,052)	(31)	(487)	(48)	–	(4,618)
Exchange differences	–	(399)	(100)	(237)	(72)	–	(808)
At 31 December 2025	–	42,641	11,048	10,024	215	457	64,385
Depreciation and impairment							
At 1 January 2024	506	25,695	6,456	10,033	879	–	43,569
Charge for the year	–	4,993	946	2,522	111	–	8,572
Disposals	(515)	(708)	–	(5,109)	(121)	–	(6,453)
Exchange differences	9	32	(28)	144	48	–	205
At 31 December 2024	–	30,012	7,374	7,590	917	–	45,893
Charge for the year	–	5,679	1,074	2,250	135	–	9,138
Classified as held for distribution	–	(5,155)	(1,195)	(3,041)	(779)	–	(10,170)
Disposals	–	(2,409)	(31)	(487)	(41)	–	(2,968)
Exchange differences	–	(249)	(42)	(81)	(29)	–	(401)
At 31 December 2025	–	27,878	7,180	6,231	203	–	41,492
Net book value							
At 31 December 2025	–	14,763	3,868	3,793	12	457	22,893
At 31 December 2024	–	21,293	5,761	5,047	500	505	33,106

The Group had capital commitments of £nil at 31 December 2025 (2024: £0.1m).

There is no property, plant and equipment held by the Company (2024: £nil).

14. Intangible assets

Group	Computer software £000s	Assets under construction £000s	Goodwill £000s	Customer relationships £000s	Brand £000s	Total £000s
Cost						
At 1 January 2024	25,168	719	139,157	4,800	300	170,144
Additions	80	141	–	–	–	221
Reclassification between categories	530	(530)	–	–	–	–
Disposal of subsidiaries	(1,299)	–	–	–	–	(1,299)
Exchange differences	704	–	676	–	–	1,380
At 31 December 2024	25,183	330	139,833	4,800	300	170,446
Additions	169	481	–	–	–	650
Reclassification	48	–	–	–	–	48
Classified as held for distribution	–	–	(81,282)	(4,800)	(300)	(86,382)
Disposals	(993)	–	–	–	–	(993)
Exchange differences	–	–	(921)	–	–	(921)
At 31 December 2025	24,407	811	57,630	–	–	82,848
Amortisation and impairment						
At 1 January 2024	8,402	–	2,111	1,160	239	11,912
Charge for the year	3,036	–	–	480	61	3,577
Disposals	(848)	–	–	–	–	(848)
Exchange differences	703	–	–	–	–	703
At 31 December 2024	11,293	–	2,111	1,640	300	15,344
Charge for the year	3,129	–	–	745	–	3,874
Disposals	(909)	–	–	–	–	(909)
Classified as held for distribution	–	–	(2,111)	(2,385)	(300)	(4,796)
At 31 December 2025	13,513	–	–	–	–	13,513
Net book value						
At 31 December 2025	10,894	811	57,630	–	–	69,335
At 31 December 2024	13,890	330	137,722	3,160	–	155,102

There is no intangible asset held by the Company (2024: £nil).

The carrying amount of goodwill is allocated to the CGUs as follows:

	2025 £000s	2024 £000s
Consult	–	80,092
Construct	52,240	52,240
Other (Legacy Development)	5,390	5,390
	57,630	137,722

Consult CGU

The goodwill balance has been reclassified to assets held for distribution as at 31 December 2025. The recoverable amount of the Consult CGU has been determined using the fair value less costs of disposal, by reference to the agreed sales consideration of the Consult business as part of the demerger and sale of the business to a third party investor. The fair value hierarchy is level 3.

Construct CGU

The recoverable amount of the Construct CGU has been determined by estimating its value in use by reference to the present value of forecast revenue and the residual profits. The forecasts were prepared for commercial purposes and rely on specific assumptions and projections, using management's detailed knowledge and expectations of the outcome for the CGU. The projections were primarily prepared using historic performance indicators, secured order book values and a comparison of the secured order book to historic trends. They were originally prepared based on a five-year strategy, starting from 2022 to 2026. The 2026 forecast has been updated to align with the Group's budget and extended to 2030 based on CGU-specific growth rates. The terminal value of the CGU is calculated based on the latest 2030 forecast with an assumed 2% growth rate.

The forecasts are discounted using CGU specific post-tax rates that reflect the current market assessment of the time value of money and the risks specific to the CGU. The post-tax discount rate used as the starting point is based on the estimated weighted average cost of capital, which has then been adjusted for a number of factors to determine the discount rate, including the risk free rate in the UK and the inherent risk of the forecast income streams included in the Group's cash flow projections.

A pre-tax discount rate of 14.6% (2024: 15.9%) has been applied to the Construct CGU.

The assessment does not indicate any impairment based on the goodwill carrying values as at 31 December 2025.

After considering all key assumptions, management considers that a reasonably pessimistic revision of key assumptions, which can rationally be expected, would not cause the carrying amount of the CGU to exceed their recoverable amount.

Notes to the financial statements

Continued

14. Intangible assets (continued)

Legacy Development CGU

The Legacy Development CGU goodwill is not significant. Management has determined the recoverable value of the CGU by estimating the fair value less cost of disposal of the current developments, using a discounted cash flow model. The fair value hierarchy is level 3.

The cash flow forecasts are discounted using CGU specific post-tax rates that reflect the current market assessment of the time value of money and the risks specific to the CGU. The post-tax discount rate used as the starting point is based on the estimated weighted average cost of capital, which has then been adjusted for a number of factors to determine the discount rate, including the risk free rate in the UK and the inherent risk of the forecast income streams included in the Group's cash flow projections. A pre-tax discount rate of 10% (2024: 10%) has been applied to the Legacy Development CGU.

The assessment does not indicate any impairment based on the goodwill carrying value as at 31 December 2025.

As at the measurement date, the recoverable amount of all CGUs is higher than the carrying amount relevant for the impairment test. Therefore, the directors consider that no impairment or further adjustment of the carrying value of goodwill, other intangibles or tangible assets is necessary.

15. Investments

Group	Investments in joint ventures & associates £000s	Other investments £000s
Cost less provisions		
At 1 January 2024	251	6,675
Share of profit after tax (Total Operations)	791	–
Reclassification	521	–
Dividends received	(1,093)	–
Fair value adjustment	–	(868)
Exchange differences	8	–
At 31 December 2024	478	5,807
Share of profit after tax (Total Operations)	2	–
Dividends received	(475)	–
Reclassifications to assets held for distribution	(5)	–
Fair value adjustment	–	(93)
At 31 December 2025	–	5,714

Company	Subsidiaries £000s
Cost less provisions	
At 1 January 2024	146,111
At 31 December 2024	146,111
At 31 December 2025	146,111

A full list of subsidiaries undertakings is included in note 30 which form part of the financial statements.

16. Joint arrangements

The Group has investments in a number of joint arrangements that are classified as joint ventures or joint operations, depending on the nature of the investment, as described in note 1.

Joint ventures

The following table summarises the results of joint ventures in which Mace has a part share.

	Dubai Expo 2020		Botley		Mace Engenharia E Servicos Ltda		Other joint ventures		Total	
	2025 £000s	2024 £000s	2025 £000s	2024 £000s	2025 £000s	2024 £000s	2025 £000s	2024 £000s	2025 £000s	2024 £000s
Revenue	–	4,549	5,748	5,709	–	–	6,089	9,040	11,837	19,298
Expenses	–	(2,666)	(12,996)	(7,600)	(21)	(98)	(6,092)	(9,043)	(19,109)	(19,407)
Waiver of loan	–	–	–	11,503	–	–	–	–	–	11,503
Interest expense	–	–	(9,906)	(11,290)	–	–	–	–	(9,906)	(11,290)
Income tax	–	–	313	113	–	–	1	2	314	115
Profit/(loss) for the year	–	1,883	(16,841)	(1,565)	(21)	(98)	(2)	(1)	(16,864)	219
Non-current assets	–	–	–	–	40	87	25,014	–	25,054	87
Current assets	–	83	79,778	90,342	4,338	3,289	1,041	1,751	85,157	95,465
Cash and cash equivalents (including overdrafts)	–	2,411	3,358	3,139	1,034	445	933	984	5,325	6,979
Current liabilities	–	(1,525)	(90,023)	(84,100)	(5,446)	(3,835)	(4,997)	(670)	(100,466)	(90,130)
Current financial liabilities	–	–	(66,852)	(66,424)	–	–	–	(2,033)	(66,852)	(68,457)
Non-current liabilities	–	–	–	–	–	–	(21,961)	–	(21,961)	–
Total	–	969	(73,739)	(57,043)	(34)	(14)	30	32	(73,743)	(56,056)
Joint venture share held by the Group	–	49%	50%	50%	47%	47%				
Less:										
a. joint venture partner equity share	–	(494)	36,870	28,522	18	7				
b. share of cumulative unrealised losses brought forward	–	–	28,449	27,738	–	–				
c. share of current year unrealised (profit)/losses	–	–	8,420	783	16	7				
Investment in joint venture (Total)	–	475	–	–	–	–	5	3	5	478
Less: Investment in joint venture (discontinued operations)	–	–	–	–	–	–	(5)	–	(5)	–
Investment in joint venture	–	475	–	–	–	–	–	3	–	478

Dubai Expo 2020 is a joint venture within the Consult engine formed for the exclusive purpose of acting as Programme Management Consultant to provide programme delivery management services for the Expo 2020 event in Dubai. This was postponed due to Covid-19 and consequently, the commission ran until 2024 and incorporated the provision of additional delivery management services for Dubai Exhibition Hall. Mace has joint control with a 49% profit share and net asset agreement. The equity method of accounting is applied. This joint arrangement is part of Discontinued Operations.

Botley includes the Development joint ventures Botley DevManCo Limited and Botley Developments (Holdings) Limited. Botley Developments (Holdings) Limited owns BDC Phase 2 Limited, The Botley Development Company Limited, Botley DevManCo Limited, West Way Academic Residential 1 Limited, and West Way Academic Residential 2 Limited. These are separate legal entities and the arrangement is classified as a joint venture of which Mace Limited has 50% joint control with another party and has equal voting rights. The equity method of accounting has been applied. The purpose of Botley Development (Holdings) Limited is to undertake the development of a site in Oxford. The JV operates from the UK and is an entity registered in England and Wales. Botley Development (Holdings) Limited has raised shareholder debt finance from the Mace Group.

Mace Engenharia E Servicos Ltda is a company incorporated under Angolan law with a registered office in Luanda. It has two shareholders, Mace – Consultoria e Gestão de Projectos e Construção Lda which holds a 47% share, and Engiservices Engenharia e Serviços Lda, which holds a 53% share. This company embodies an exclusive partnership agreement between the parties to provide professional engineering services under the Mace brand in Angola. Under the Shareholders' Agreement there is joint control and all forms of decision-making require unanimous agreement between the shareholders. The arrangement is classified as a joint venture and the equity method of accounting is applied. This company did not have active projects for the year ended 31 December 2025 and 2024. This joint arrangement is part of Discontinued Operations.

17. Trade and other receivables

	Group		Company	
	2025 £000s	2024 £000s	2025 £000s	2024 £000s
Non-current:				
Employee Benefit Trust loan	–	–	2,800	2,800
Contract assets	–	3,562	–	–
	–	3,562	2,800	2,800
Current:				
Trade receivables	219,681	235,405	–	–
Contract assets	130,817	194,905	–	–
Contract receivables	49,524	108,523	–	–
Amounts owed by disposal group classified as held for distribution*	65,426	–	–	–
Amounts owed by subsidiary undertakings*	–	–	68,230	49,907
Amounts owed by joint ventures and associates*	8	272	–	–
Loans to directors (note 26)	1,451	1,284	1,316	1,149
Loan to shareholders (note 26)	68	68	68	68
Loan receivable and related interest	1,939	1,939	–	–
Other debtors	212,534	137,274	1,976	221
Other tax and social security receivables	7,911	18,227	1,072	652
Prepayments	24,454	31,599	–	–
	713,813	729,496	72,662	51,997

* Amounts owed are interest free and repayable on demand.

Retentions in Construct Engine are collected in the normal operating cycle of the engine and are therefore shown in current receivables. £76.0m (2024: £72.1m) of the retention receivable is due between 12 months and 43 months, and £54.8m (2024: £59.1m) of the retention receivable is due within 12 months. Retentions receivables are included within contract assets.

The movement in contracts assets in 2025 was not significant. The value of the sales retention depends on the stage of the project at the balance sheet date and the size of the project.

	Group		Company	
	2025 £000s	2024 £000s	2025 £000s	2024 £000s
Debtors past and overdue				
Trade receivables not past due	198,062	166,803	–	–
Trade receivables past due 1-30 days	12,964	34,183	–	–
Trade receivables past due 31-60 days	1,117	8,978	–	–
Trade receivables past due over 60 days	8,690	27,578	–	–
Gross trade receivables	220,833	237,542	–	–
Less provision for expected credit losses	(1,152)	(2,137)	–	–
Trade receivables	219,681	235,405	–	–

18. Development work in progress and loan to joint venture

	2025 £000s	2024 £000s
Work in progress	7,876	7,520
Development work in progress	7,876	7,520
Loan to joint venture	98,913	81,905
Provision on loan to joint venture	(76,842)	(55,921)
Development loan to joint venture	22,071	25,984

No work in progress on development schemes had capitalised interest during the year (2024: £nil). No work in progress was expensed as cost of sales in the year (2024: £nil).

19. Trade and other payables

	Group		Company	
	2025 £000s	2024 £000s	2025 £000s	2024 £000s
Non-current:				
Amounts due to subsidiaries	–	–	61,557	–
Share-based payment liability	–	96	–	96
	–	96	61,557	96
Current:				
Trade creditors	189,640	179,188	1,072	979
Contract liabilities	250,079	236,959	–	–
Amounts due to subsidiaries*	–	–	24,080	57,971
Amounts due to joint ventures and associates*	16	16	–	–
Amounts due to directors (note 26)	–	2,680	–	2,680
Accruals	358,651	380,867	7,261	547
Taxation and social security payables	88,891	108,094	137	278
Long-term incentive plan accrual	755	1,482	435	578
Post-employment benefit obligation	–	12,553	–	–
Other creditors	4,818	6,313	74	306
Share-based payment liability (note 25)	21,125	–	21,125	–
	913,975	928,152	54,184	63,339

* Amounts due are interest free and repayable on demand.

Contract liabilities includes deferred income and amounts payable on construction contracts. Retentions will be paid in the normal operating cycle of the Group and are therefore shown in current payables.

£101m of group revenue recognised in the period was included in the contract liability balance at the beginning of the year (2024: £98m).

Group contract liabilities have decreased due to the reclassification of contract liabilities of Group's Consult operations and offset by an increase in deferred income and cost retentions in Construct Operations. The key reason for the increase in deferred income of Construct Operation in 2025 is due to increased turnover from 2024, the mix of projects, their stage of completion compared to the prior year and the level of advance payments made by clients. The growth in purchase retentions relates both to the growth in Construct revenue in 2025 from 2024 and also relates to the mix of projects and their stages of completion with the timing of when projects finish and release retention compared to new projects starting up impacting the level of purchase retentions.

19. Trade and other payables (continued)

	Group	
	2025 £000s	2024 £000s
Reconciliation of post-employment benefit obligation:		
Post-employment benefit obligation at 1 January	12,553	9,977
Service cost	4,970	4,248
Interest cost	600	449
Liability utilised	(2,623)	(2,284)
Actuarial loss/(gain)	225	(122)
Exchange difference	(911)	285
Classified as held for distribution	(14,814)	–
Post-employment benefit obligation at 31 December	–	12,553
Post-employment benefit obligation remeasurement:		
Liability loss/(gain) due to changes in assumptions	150	(795)
Liability experience loss arising during the year	75	673
Total actuarial loss/(gain) recognised in other comprehensive income	225	(122)
Exchange difference	(911)	285
Total amount recognised in other comprehensive income in the year	(686)	163
Post-employment benefit obligation future cash flows:		
Expected benefits paid by the plan for the next financial year	(1,665)	(1,864)
Amount, timing and uncertainty of post-employment benefit obligation future cash flows:		
Sensitivity 1 – discount rate plus 0.5% – % difference in post-employment benefit obligation	(4.8%)	(4.3%)
Sensitivity 2 – discount rate minus 0.5% – % difference in post-employment benefit obligation	5.2%	4.7%
Sensitivity 3 – salary growth rate plus 0.5% – % difference in post-employment benefit obligation	5.2%	4.6%
Sensitivity 4 – salary growth rate minus 0.5% – % difference in post-employment benefit obligation	(4.8%)	(4.3%)
Post-employment benefit obligation assumptions:		
Discount rate	5.4%	5.5%
Rate of compensation increase	5.0%	5.0%
Plan duration (years)	11.03	9.58

The assumptions used in Consult are based on the staff profile in the businesses and locations where the benefit is paid. The duration of the plan liabilities relates to the weighted average timing at which the End of Service Benefit payments are expected to occur. This is a result of the actuarial projections and depends on the profile of the membership data, mainly age, salary and service, and on the assumption, basis adopted, mainly the normal retirement age and turnover rates.

20. Provisions, contingent liabilities and contingent assets

Provisions

Provisions primarily include onerous contract provisions and construction insurance liabilities. The construction insurance liabilities are principally legal claims and costs, where provision is made for the directors' best estimate of known legal claims, investigations and legal actions in progress.

The directors are aware of an instance in which work carried out for Mace by a subcontractor has resulted in damage to a property and have recognised a provision of £13.0m. The investigation into the underlying cause of the damage is ongoing. We expect the costs to be covered by the relevant insurance policies.

Onerous contract provisions

	Group	
	2025 £000s	2024 £000s
At 1 January	6,413	10,334
Unused amount released	(2,928)	(2,110)
Utilised provisions	(3,282)	(5,473)
Additional provisions	9,488	3,697
Exchange difference	–	(35)
At 31 December	9,691	6,413

Other provisions

	Group	
	2025 £000s	2024 £000s
At 1 January	80,820	62,917
Unused amounts released	(15,134)	(11,129)
Utilised provisions	(18,670)	(10,814)
Additional provisions	115,717	39,151
Reclassifications	–	700
Exchange difference	(36)	(5)
Classified as held for distribution (note 22)	(1,597)	–
At 31 December	161,100	80,820

It is anticipated that amounts provided for will be utilised as follows:

	Group	
	2025 £000s	2024 £000s
Due within one year	45,478	18,855
Due after one year	125,313	68,378
	170,791	87,233

In relation to the matters which provisions have been made, £152.1m (2024: £93.2m) of expected reimbursement is included within other debtors in note 17.

Contingent liabilities

The directors are also aware of an instance of water ingress at a residential property in London. The investigation into the underlying cause of the water ingress is ongoing. As the cause has not yet been determined, there is insufficient evidence to conclude that it is probable that the Group has a potential remediation obligation.

Fire safety

The Group continues to review buildings constructed by Mace where cladding systems were used and to assess any remediation required under the Building Safety Act, associated fire safety regulations and current Government guidance for multi-storey, multi-occupancy residential buildings.

In preparing the financial statements, the Group considered all available information, including its best estimate of the potential scope and cost of any remediation. These estimates have been informed by expert reports, fire safety assessments and physical inspections.

A provision has been recognised where a present obligation exists and the remediation cost can be estimated reliably; no provision has been recognised where a present obligation has not been established. Estimates will be updated as investigations and remediation progress. This may result in further liabilities being recognised. The Group expects its insurance arrangements to materially mitigate any such liabilities.

At 31 December 2025, Mace had no other contingent liabilities (2024: £nil).

Contingent assets

The directors consider it highly likely that the relevant insurance arrangements will cover costs for which Mace may potentially become liable relating to the property damage in respect of which a £13m provision has been recognised. However, as no claim has been made against Mace it is not possible to be virtually certain that the relevant insurance policies will respond. Therefore, under IAS 37, the recovery of the potential costs for which a provision has been recognised is considered to be a contingent asset.

21. Lease liabilities and borrowings

	Group		Company	
	2025 £000s	2024 £000s	2025 £000s	2024 £000s
Due within one year:				
Bank loans	19,000	7,500	19,000	7,500
Lease liabilities	4,088	7,179	–	–
	23,088	14,679	19,000	7,500
Due more than one year:				
Bank loans	63,500	82,500	63,500	82,500
Less: unamortised loan fees	(345)	(1,031)	(345)	(1,031)
Director loans	11,220	14,280	11,220	14,280
Shareholder loans and ex-shareholder loan	11,550	11,220	11,550	11,220
Lease liabilities	14,443	21,458	–	–
	100,368	128,427	85,925	106,969

The bank loans have been drawn down under a commercial facility and UKEF facility, with a maturity date of 31 August 2028. The total amount repayable before unamortised loan fees as at 31 December 2025 is £82,500,000 (2024: £90,000,000).

The following financial covenants were applicable to the loan facilities held:

- Interest cover shall be no less than 3.5:1. Interest cover is calculated as the ratio of rolling 12-month EBITDA to rolling 12-month net finance charges.
- Adjusted leverage ratio shall not exceed 2.5:1. Adjusted leverage is calculated as the ratio of total net debt to rolling 12-month adjusted EBITDA.

The covenants are tested every quarter. Non-compliance with the financial covenants will result in outstanding loans becoming repayable on demand. As part of the demerger, the bank loans have been repaid and related facilities has been cancelled on 5 March 2026.

See the section on capital management in the financial risk management note 3 for further details on the bank loans, shareholder loans, ex-shareholder loan and director loans. Interest rates charged on these borrowings are between 6.0% and 12.0% (2024: 7.0% and 12.0%).

22. Discontinued operations

a) Description

On 23 July 2025 the Group announced its intention to separate the Consult business from the Group through a demerger, whereby shares in Mace Consult Limited are distributed to current Mace shareholders through a) incorporation of two separate holding companies, Mace Construct Holdings Limited (“Construct TopCo”) and Mace Consult Holdings Limited (“Consult TopCo”), and b) a tripartite agreement between the current shareholders, Construct TopCo and Consult TopCo. A sales and purchase agreement was also signed with Private Equity at Goldman Sachs Alternatives on 23 July 2025. Consult, including Mace Consult Limited and its subsidiaries and joint ventures, together with the relevant consulting operations of Mace Limited, is considered as a disposal group in accordance with IFRS 5. Subject to regulatory approval, management considered the demerger to be completed within one year of the announcement date and accordingly Consult was classified as a disposal group held for distribution and discontinued operations from the announcement date. The demerger was successfully completed on 27 February 2026 and the sale to the third party investor was successfully completed on 5 March 2026.

The Group has incurred exceptional costs in relation to the separation of the Consult business for the year ended 31 December 2025, see note 11 for details.

b) Financial performance and cash flow information

The financial performance and cash flow information presented below are for the years ended 31 December 2025 and 31 December 2024.

The Consult division is no longer presented in note 4 as it is classified as a discontinued operation. The results of the discontinued operations which have been included in the consolidated statement of comprehensive income were as follows:

	For the year ended 31 December 2025 £000s	For the year ended 31 December 2024 £000s
Group Revenue	771,483	696,651
Cost of sales	(612,749)	(534,684)
Gross profit	158,734	161,967
Administrative expenses	(95,000)	(76,518)
Other (expense) / income	(1,193)	72
Operating profit before exceptional items	62,541	85,521
Exceptional cost	(1,705)	–
Operating profit	60,836	85,521
Share of net profit of joint ventures	2	817
Profit before interest	60,838	86,338
Net finance income	2,565	1,425
Profit before taxation	63,403	87,763
Income tax expense	(13,793)	(10,892)
Profit after tax	49,610	76,871
Profit for the year attributable to:		
Owners of the parent	49,517	76,411
Non-controlling interest	93	460
	49,610	76,871
Other comprehensive income		
<i>Items that will or may be classified to profit and loss:</i>		
Exchange differences on re-translation of foreign subsidiaries	(4,017)	1,788
<i>Items that will not be classified to profit and loss:</i>		
Remeasurement of post-employment benefit obligation	(225)	122
Tax on remeasurement of post-employment benefit scheme	24	28
Total comprehensive income for the year	45,392	78,809

b) Financial performance and cash flow information (continued)

The cash flows of the discontinued operations which have been included in the consolidated statement of cash flows were as follows:

	2025 £000s	2024 £000s
Discontinued operations		
Operating	30,850	13,837
Investing	(13,216)	(182)
Financing	(1,269)	(11,929)
Net cash inflow	16,365	1,726

Notes to the financial statements

Continued

22. Discontinued operations (continued)

c) Details of the distribution

The major classes of assets and liabilities classified as held for distribution are as follows:

	As at 31 December 2025 £000s
Discontinued operations	
Assets	
Property, plant and equipment (note 13)	7,171
Goodwill and other intangible assets (note 14)	91,346
Deferred tax assets (note 12)	10,590
Investments in joint ventures	5
Trade and other receivables	167,852
Current tax assets	–
Cash and cash equivalents	92,812
Restricted cash	795
Assets classified as held for distribution	370,571
Liabilities	
Trade and other payables	(156,470)
Financial liabilities	(4,984)
Provisions	(1,597)
Current tax liabilities	(7,822)
Lease liabilities	(6,024)
Deferred tax liabilities (note 12)	(1,296)
Liabilities classified as held for distribution	(178,193)
Equity shareholders' funds	192,285
Non-controlling interest	93
Net assets	192,378
Cumulative income/(expense) recognised in other comprehensive income are shown below:	
Foreign exchange loss	(5,615)
Actuarial loss (net of tax)	(1,402)
Reserves of disposal group classified as held for distribution	(7,017)

d) Acquisition within discontinued operations

On 2 September 2025, Mace North America Limited, a subsidiary of Mace Consult Limited, acquired a 100% ownership of TB Construction Consultants LLC for a £11.2m consideration, £0.3m of this was contingent consideration as at acquisition date. Goodwill of £1.9m (which is not tax deductible) and customer relationships of £7.9m was recognised on acquisition of the business. The contingent consideration amount is linked to the business achieving certain financial and operational targets and will be assessed annually until 31 December 2028. The book value of gross contractual receivables acquired as at the acquisition date was £2.1m, which was equal to their fair value. This balance is expected to be collected in full.

The business has been fully integrated within the Consult Engine and part of the Americas global hub. Goodwill represents the expected synergies from the strategic fit of the acquisition and the value of the expertise in the workforce. The assets and liabilities are held at the lower of its carrying amount and fair value less costs to sell.

23. Share capital and reserves

Group and Company:	2025		2024	
	Number of shares	Ordinary share value £000s	Number of shares	Ordinary share value £000s
<i>Allotted, called up and fully paid</i>				
Ordinary shares at 0.01p each				
As at 1 January	7,442,093	1	8,170,000	1
Cancellation of shares	–	–	(727,907)	–
As at 31 December	7,442,093	1	7,442,093	1

Dividend

Group:	2025	2024
Dividend for the year ended 31 December 2025 of £0.5 (2024: £0.7) per fully paid share	3,124	4,353

Company:	2025	2024
Interim dividend for the year ended 31 December 2025 of £0.5 (2024: £0.7) per fully paid share	3,124	4,359

No final dividend has been paid for the year ended 31 December 2025 (2024: £nil).

Reserves

The foreign exchange reserve holds gains and losses on the re-translation of subsidiaries denominated in foreign currencies.

Retained earnings movement relates to the profit and loss result of the year, distribution of dividends and equity-settled share-based payment transactions. Share-based payment transactions accumulated within retained earnings as at 31 December 2025 amounted to £nil (2024: £nil).

Own shares relate to treasury shares and are held by the Employee Benefit Trust and a subsidiary company of Mace Finance Limited. Own shares are deducted from equity and the shares are held at historical cost until they are sold. The number of shares held by the Company and Group are as follows:

	Company		Group	
	Number of shares	£000s	Number of shares	£000s
As at 1 January 2024	356,250	6,809	395,000	7,682
Repurchase of shares	833,887	30,371	833,887	30,371
Cancellation of shares	(727,907)	(25,011)	(727,907)	(25,011)
Purchase of own shares from a subsidiary company	38,750	873	–	–
As at 31 December 2024	500,980	13,042	500,980	13,042
As at 31 December 2025	500,980	13,042	500,980	13,042

24. Notes to the cash flow statement

Group reconciliation of operating activities to operating cash flows

	Note	2025 £000s	2024 £000s
Cash flows from operating activities			
Loss before interest and tax – continuing operations		(53,219)	(34,635)
Adjustments for:			
Profit before interest and tax – discontinued operations		60,838	86,338
Profit on disposal of property, plant and equipment		–	(1,097)
Depreciation of property, plant and equipment	13	9,138	8,572
Amortisation of intangible assets	14	3,874	3,577
Profit on disposal of investments		–	(260)
Share of net profits of joint ventures	15	(2)	(791)
Revaluation to fair value		(63)	719
Impairment on loan to joint venture		15,993	6,625
Movement on provisions		34,931	(9,845)
Movement on reimbursement asset in respect of professional indemnity claims		19,800	27,707
Income from government grants		(212)	(294)
Share-based payments		21,029	983
Foreign exchange – retranslation	25	(5,845)	4,987
Cash flows before changes in working capital		106,262	92,586
Working capital changes:			
Increase in trade and other receivables		(178,420)	(147,093)
Increase in work in progress		(356)	(138)
Increase in trade payables		178,598	141,879
Government grants and loan		212	294
Increase/(decrease) in working capital		34	(5,058)
Income taxes paid		(29,303)	(16,247)
Net finance costs		(5,677)	(8,276)
Net cash generated from operating activities		71,316	63,005

Reconciliation of changes in liabilities arising from financing transactions

			Non-cash changes				
	1 January 2024 £000s	Cash flows £000s	Foreign exchange movement £000s	Additions £000s	Disposals £000s	Interest £000s	31 December 2024 £000s
Bank borrowings before unamortised loan fees (note 21)	50,000	40,000	–	–	–	–	90,000
Director loans, shareholder loans and ex-shareholder loan (note 21)	–	25,000	–	–	–	500	25,500
Lease liabilities (note 21)	30,307	(5,853)	6	5,435	(1,258)	–	28,637
Total liabilities from financing activities	80,307	59,147	6	5,435	(1,258)	500	144,137

Reconciliation of changes in liabilities arising from financing transactions (continued)

	Non-cash changes							
	1 January 2025 £000s	Cash flows £000s	Foreign exchange movement £000s	Additions £000s	Disposals £000s	Classified as held for distribution	Interest £000s	31 December 2025 £000s
Bank borrowings before unamortised loan fees (Note 21)	90,000	(7,500)	–	–	–	–	–	82,500
Director loans, shareholder loans and ex-shareholder loan (Note 21)	25,500	(5,562)	–	–	–	–	2,832	22,770
Lease liabilities (Note 21)	28,637	(5,367)	(189)	2,505	(2,054)	(5,001)	–	18,531
Total liabilities from financing activities	144,137	(18,429)	(189)	2,505	(2,054)	(5,001)	2,832	123,801

Restricted cash

Restricted cash of £9.3m (2024: £8.5m) includes £7.4m (2024: £5.9m) held within joint operations for restricted use, including £7.3m (2024: £5.8m) of cash held in project bank accounts. No cash (2024: £1.0m) was held for specific withholding tax payment and £1.7m (2024: £1.2m) was held for specific client funds. There are some other smaller restricted cash balances amounting to £0.2m (2024: £0.4m).

	Note	2025 £000s	2024 £000s
Short-term lease liabilities and borrowings	21	(23,088)	(14,679)
Long-term lease liabilities and borrowings	21	(100,368)	(128,427)
Bank overdrafts		–	(57,001)
Less: lease liabilities	21	18,531	28,637
Cash at bank (excluding restricted cash)		204,603	320,164
Net cash		99,678	148,694

Cash, cash equivalents and bank overdrafts are subject to Group-wide cash pooling arrangements, where the banks have right of set off to the credit and debit balances. The table above shows the gross position of cash and overdrafts.

Parent company financial guarantees

The Company is party to group liabilities with its principal and secondary bankers across two cash pools. For each separate pool, there is a right of set-off for entities in each pool. Certain group companies have overdrawn balances of £0.8m at 31 December 2025 (2024: £9m), but there was no group indebtedness to its principal or secondary bankers.

25. Share-based payments

Share-based payment charges arising from share appreciation rights relating to directors of the Company have been charged to the statement of comprehensive income and disclosed within directors' remuneration in note 9.

Share appreciation rights scheme

The share appreciation rights are associated with ordinary shares of the Company that are beneficially owned jointly by the relevant individuals and by an Employee Benefit Trust (Sovereign Fiduciary Trust Company Limited), which is a consolidated entity within the Mace Finance Limited group. The jointly owned shares do not have voting rights or rights to receive a dividend. The share appreciation rights only crystallise, through an exercise of options by the Employee Benefit Trust, in specific circumstances such as a change in the capital structure of the business or a change in the relevant individuals' employment status. The amount payable under the share appreciation rights will be calculated with reference to the value of the Company at the time the share appreciation rights crystallise. The share appreciation rights will be settled in cash by the exercise of options by the Employee Benefit Trust.

In 2025, in anticipation of the planned demerger, the share appreciation rights scheme has been terminated, the relevant individuals have surrendered their share appreciation rights in exchange for cash consideration. The cash consideration is based on the total valuation of the Consult and Construct business, and the cash consideration will be settled one month after the completion of the sale of the Consult business. See note 22 for details. A charge of £21.0m has been recognised in 2025 as a result of the event. The share-based payment liability as at 31 December 2025 is £21.1m (2024: £96k).

The following table summarises the number of share appreciation rights granted under the scheme.

	2025	2024
As at 1 January	270,000	297,500
Granted during the year	–	83,750
Waived during the year	–	(36,250)
Terminated during the year	(270,000)	–
Settled during the year	–	(75,000)
As at 31 December	–	270,000

26. Related party transactions

Group	2025 £000s	2024 £000s
Transactions between the Group and its joint ventures		
Trading transactions		
Sales	1,199	2,088
Non-trading transactions		
Dividends received	475	1,093
Interest receivable	360	–
Write-off of loan with joint venture	–	(10,000)

Balances between the Group and its joint ventures can be found in notes 17 and 19.

Loans to directors

Loans to directors disclosed in receivables (note 17) are loans owed by directors and are repayable on demand in cash. These loans are not interest bearing.

Amount due to directors

Amount due to directors disclosed in payables (note 19) are repayable on demand in cash.

Loans and related interest from directors, shareholders, ex-shareholder

Directors, shareholders and an ex-shareholder have provided loans included in lease liabilities and borrowings (note 21). These loans, due to directors, shareholders, and ex-shareholder are repayable depending on the future performance of the Group and are expected to be repaid within 5 years. As part of the demerger, the director loans, shareholder loans and ex-shareholder loan have been repaid on 5 March 2026.

See the section on capital management in the financial risk management note 3 for further details on the shareholder loans, ex-shareholder loan and director loans. Interest is charged on these borrowings at 12%.

27. Leases

The Group holds property leases for offices in the UK and internationally. The most significant property lease is for the Group's head office in Moorgate, London. The Group also has short-term leases for motor vehicles.

The Group acted as a lessor in the period and received rental income for student accommodation, retail units, residential units and a hotel through joint ventures in the Group. The Group also acted as a lessor for sub-leases of two properties through subsidiaries in the Group. The related cash flow and maturity of lease receivables through subsidiaries in the Group are shown as below.

	Group	
	2025 £000s	2024 £000s
Income in relation to leasing	489	231

Lease receivables as at the balance sheet date are detailed below:

	2025 £000s	2024 £000s
Due within 1 year	283	248
Due within 2-5 years	119	364
Total	402	612

Cash flows in relation to leases

	Group	
	2025 £000s	2024 £000s
Cash inflow in relation to leases where Mace is the lessor	489	231
Cash outflows in relation to leases where Mace is the lessee	(7,558)	(8,267)
Net cash outflow	(7,069)	(8,036)

The principal element of the lease payment is included in financing activities and the interest component is included in operating activities in the cash flow statement.

Other disclosures:

Analysis of the right-of-use assets on the balance sheet is included in the property, plant and equipment note 13.

Analysis of the lease liabilities on the balance sheet is included in the lease liabilities and borrowings note 21 and the related interest charge in the interest note 8.

The maturity analysis of the lease liabilities is presented in the financial risk management note 3.

In addition to the closing lease liability at the year end, the Group also has commitments for leases that are short term. The expense incurred in relation to these leases is disclosed in the operating profit note 6.

Commitments in relation to short-term leases expenses are expected to be in line with the annual expense disclosed for the year ended 31 December 2025, as reported in the operating profit and EBITDA note 6.

28. Post balance sheet events

As reported in note 28 to the financial statements for the year ended 31 December 2024, on 30 April 2025, the Serious Fraud Office (SFO) announced an investigation into Blu-3 (a supplier to Mace) and former associates of Mace Group. The Group is continuing to support the SFO fully with their investigation.

Distribution of Mace Consult Limited

The Group completed the demerger of Mace Consult Limited on 27 February 2026 by way of a distribution to shareholders. The shareholders subsequently completed the sale of Mace Consult Limited to Private Equity at Goldman Sachs Alternatives on the 5 March 2026. This distribution will be measured at the cost of the net assets disposed of.

As part of closing the transaction, the shareholders injected some proceeds into the Group which enabled it to repay all its existing debt and costs associated with the transaction.

29. List of joint ventures, joint operations and associate undertakings

The following is a list of joint ventures and associate entities of Group.

Consult (Discontinued Operations)

Company	Country of registration/ incorporation	Tax Residency	Voting rights 2025 (%) [*]	Voting rights 2024 (%)	Nature of business
Mace Avista Pty Ltd (dissolved 19 January 2025)	Australia	Australia	–	50	Consult
Mace – Engenharia E Servicos Ltda [#]	Angola	Angola	47	47	Consult
MMQSMace Consultancy (Pty) Limited (disposed on 7 January 2025)	South Africa	South Africa	–	49	Consult
MMQS Mace (Pty) Limited (disposed on 7 January 2025)	South Africa	South Africa	–	48	Consult
CLM Delivery Partner Limited [*]	United Kingdom	United Kingdom	25	25	Consult
MWJV Limited	United Kingdom	United Kingdom	50	50	Consult

Group

Company	Country of registration/ incorporation	Tax Residency	Voting rights 2025 (%) [*]	Voting rights 2024 (%)	Nature of business
BDC Phase 2 Limited [*]	United Kingdom	United Kingdom	50	50	Develop
Botley Developments (Holdings) Limited [*]	United Kingdom	United Kingdom	50	50	Develop
Botley DevManCo Limited [*]	United Kingdom	United Kingdom	50	50	Develop
Commercial Road Development Management Limited [*]	United Kingdom	United Kingdom	50	50	Develop
MPD Trinity LLP [#]	United Kingdom	United Kingdom	33	33	Develop
Swingate Developments LLP [#]	United Kingdom	United Kingdom	50	50	Develop
Swingate Holdings Limited [*]	United Kingdom	United Kingdom	50	50	Develop
Swingate Phase 1A LLP [#]	United Kingdom	United Kingdom	50	50	Develop
The Botley Development Company Limited [*]	United Kingdom	United Kingdom	50	50	Develop
West Way Academic Residential 1 Limited [*]	United Kingdom	United Kingdom	50	50	Develop
West Way Academic Residential 2 Limited [*]	United Kingdom	United Kingdom	50	50	Develop
Westway Estate Management Limited [*]	United Kingdom	United Kingdom	50	50	Develop

^{*} Companies are registered at head office address in the UK: 155 Moorgate, London, EC2M 6XB, England

[^] Unless indicated otherwise, all companies have ordinary share capital

[#] Partnership with no share capital

29. List of joint ventures, joint operations and associate undertakings (continued)

The following is a list of other joint arrangements that the Group participate in.

Consult (Discontinued Operations)

Unincorporated joint arrangement	Participation share 2025 (%)	Participation share 2024 (%)	Nature of arrangement
Dubai Expo 2020	49	49	Consult
Paragon	50	50	Consult
Schiphol Airport (Pier Airside)	55	55	Consult
TfL Integrator	50	50	Consult
Peru G2G	45	45	Consult
Hudson Tunnel Project	31	31	Consult
Northern Estate (Programme, Project and Cost Management Services to the Corporate Officers of the House of Commons and the House of Lords)	50	50	Consult
Bicentenary Education G2G	50	50	Consult
Ontario Go Expansion	33	33	Consult
Metrolinx Subways Delivery Partner	33	33	Consult
Mace – Jacobs Consortium [#]	50	50	Consult
Catalyst	33	–	Consult
Health Delivery Partnership	50	–	Consult
AtkinsRéalis Mace Project Solutions	50	–	Consult
CEDD Northern Metropolis PMO	64	–	Consult

Construct

Unincorporated joint arrangement	Participation share 2025 (%)	Participation share 2024 (%)	Nature of arrangement
HS2 Euston	50	50	Construct
HS2 Curzon Street	50	50	Construct

30. List of subsidiary undertakings

The following is a list of the direct and indirect subsidiary entities of the Group.

Construct

Company	Country of registration/ incorporation	Tax Residency	Voting rights 2025 (%)	Voting rights 2024 (%)	Nature of business
Mace International Construction (Belgium) BV Avenue Marnix 23, fifth floor 1000 Brussels Belgium	Belgium	Belgium	100	100	Construct
Mace Technology Denmark ApS Harbour House Sundkrogsgade 21 2100 Copenhagen Denmark	Denmark	Denmark	100	100	Construct
Mace Technology (Ireland) Limited Floor 3, Block 3 Miesian Plaza Dublin 2, Ireland	Ireland	Ireland	100	100	Construct
Mace Management Services B.V. Zuidplein 116 Tower H, Level 14, 1077XV Amsterdam Netherlands	Netherlands	Netherlands	100	100	Construct
Como Construction Limited*	United Kingdom	United Kingdom	100	100	Dormant
Como Group Limited*	United Kingdom	United Kingdom	100	100	Holding company
Como Homes Limited*	United Kingdom	United Kingdom	100	100	Dormant
Mace Construct Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Construct Specialist Services Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Construction (International) Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Facades Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Interiors Group Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Living Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace MEP Services Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Plus Academies Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Plus Group Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Plus Limited*	United Kingdom	United Kingdom	100	100	Construct
Mace Tech Limited*	United Kingdom	United Kingdom	100	100	Construct
Utrema B.V. Zuidplein 116, Tower H, Level 14 1077XV Amsterdam Netherlands	Netherlands	Netherlands	100	100	Consult

Consult (Discontinued Operations)

Company	Country of registration/ incorporation	Tax Residency	Voting rights 2025 (%)	Voting rights 2024 (%)	Nature of business
Mace Australia Proprietary Limited S14 02' Level 14, 68 Pitt Street, Sydney NSW 2000 Australia	Australia	Australia	100	100	Consult
Mace Consultancy (Canada) Limited ^B c/o ARC Information Services Inc 3-84 Castlebury Crescent Toronto, Ontario M2H 1W8 Canada	Canada	Canada	100	100	Consult
Mace Consultoria Colombia S.A.S. Cr 7 N. 71 52 To B P 10 Bogota D.C. Colombia	Colombia	Colombia	100	100	Consult
Mace Zagreb d.o.o. Petrinjska 42 a Zagreb 10000 Croatia	Croatia	Croatia	100	100	Consult
Mace Holdings Limited ^B 59-61 Acropolis Avenue 3rd floor, Flat 301 Nicosia 2012 Cyprus	Cyprus	Cyprus	100	100	Consult – Holding company
Mace International Limited ^B 59-61 Acropolis Avenue Savvides Court 3rd floor Nicosia 2012 Cyprus	Cyprus	Dubai	100	100	Consult
Mace Egypt for Project Management L.L.C. Building 19 A Cairo Business Park El Nasr St. New Cairo Egypt	Egypt	Egypt	100	100	Consult
Mace Projets Sarl 27 Place de la Madeleine 75008 Paris France	France	France	100	100	Consult
Mace GmbH Hamburger Allee 45 60486 Frankfurt Germany	Germany	Germany	100	100	Consult
Mace Management Service Limited Kwakkranya Street Accra 1359 Ghana	Ghana	Ghana	100	100	Consult
Mace Limited 29/F, Tower 5, The Gateway 15 Canton Road Harbour City, Tsim sha Tsui, Kowloon Hong Kong	Hong Kong	Hong Kong	100	100	Consult
Tencore Limited Unit 507, 5/F Chinachem Plaza 77 Mody Road Tsim Sha Tsui East Hong Kong	Hong Kong	Hong Kong	100	100	Consult
Tenman (HK) Limited Unit 507, 5/F Chinachem Plaza 77 Mody Road Tsim Sha Tsui East Hong Kong	Hong Kong	Hong Kong	100	100	Consult
Mace Project & Cost Management Private Limited 01A171 & 01A172 Platina Tower, MG Road Near Sikandarpur Metro Station, Sector 28 Gurgaon Haryana 122002 India	India	India	100	100	Consult
Mace Consultancy (Ireland) Limited Floor 3 Block 3, Miesian Plaza Dublin Ireland	Ireland	Ireland	100	100	Consult
Mace Consultancy (Jersey) Limited 44 Esplanade, St Helier Jersey JE4 9WG	Jersey	Jersey	100	100	Consult

Notes to the financial statements

Continued

30. List of subsidiary undertakings (continued)

Consult (Discontinued Operations) (continued)

Company	Country of registration/ incorporation	Tax Residency	Voting rights 2025 (%)	Voting rights 2024 (%)	Nature of business
Mace Management Services LLP 78, Baitursynuly Street Apartment 38, Almalinskiy District 050022 Almaty Kazakhstan	Kazakhstan	Kazakhstan	100	100	Consult
Mace Management Services Limited The Westwood, 9th Floor Vale Close off Ring Road Westlands Nairobi Kenya	Kenya	Kenya	100	100	Consult
Mace YMR Limited Liability Partnership Plot NO LR 209, 11459 Lion Place, Waiyaki Way Kenya	Kenya	Kenya	61	61	Consult
Mace Limitada Alameda Dr. Carlos d'Assumpcao, no. 263, China Civil Plaza 6o. andar M e N Macau	Macau	Macau	100	100	Consult
MaceYMR Ltd c/o Matco Limited, 11th floor, Tower 1 Nexteracom Building Ebene Cybercity Mauritius	Mauritius	Mauritius	61	61	Consult
Mace Management Services, SARL 106, Rue Abderrahman Sehraoui Casablanca, 20070 Morocco	Morocco	Morocco	100	100	Consult
Mace Management Services Limited 24B Amodu Tijani Close, Victoria Island, Lagos State, Nigeria	Nigeria	Nigeria	100	100	Consult
Mace International LLC PO Box 686 Muscat Governorate Mutrah, Ruwi 112 Oman	Oman	Oman	65	65	Consult
Mace Consult Pakistan (Private) Limited 4th Floor, Central Hotel Building Civil Lines Mereweather Road Karachi Pakistan	Pakistan	Pakistan	100	100	Consult
Mace Consultancy (Peru) S.A.C Avenue Santo Toribio 143 San Isidro Lima, Peru	Peru	Peru	100	100	Consult
MaceTpm Inc. Rooms 805-808, 8th Floor The One Executive Office Building 5 West Avenue Brgy Nayong Kanluran Quezon City, Philippines	Philippines	Philippines	100	100	Consult
Mace Polska Spolka zoo ul. Rondo Daszynskiego 2B00-843, Warszawa Poland	Poland	Poland	100	100	Consult
Mace – Consultoria e Gestao de Projectos e Construcão, Lda Rua Cidade de Cordova, 2A 2610-038 Alfragide Portugal	Portugal	Portugal	100	100	Consult
Mace Management Services Limited Umujyi wa Kigali Gasabo, Kacyiru Rwanda	Rwanda	Rwanda	100	100	Consult
Mace Arabia for Engineering Consultancy LLC The Business Gate, Unit A, Ground Floor Zone C, Building 4 PO Box 12195 Riyadh, 11473 Saudi Arabia	Saudi Arabia	Saudi Arabia	100	100	Consult
Mace Holdings Limited Al Mousa Centre, Tower 4 Unit 435, Olaya Street PO Box 9817, Riyadh 12241 Saudi Arabia	Saudi Arabia	Saudi Arabia	55	55	Consult
Mace Regional Headquarter Company The Business Gate, Unit A, Ground floor Building C4 East Ring Airport Road Riyadh Saudi Arabia	Saudi Arabia	Saudi Arabia	100	100	Consult

Company	Country of registration/ incorporation	Tax Residency	Voting rights 2025 (%)	Voting rights 2024 (%)	Nature of business
Mace Asia Consultancy Pte Ltd 9 Raffles Place #26-01 Republic Plaza 048619 Singapore	Singapore	Singapore	100	100	Consult
Mace Project Solutions (Pty) Limited Bryanston Place Office Park 1st Floor Southview Building 199 Bryanston Drive Bryanston Gauteng 2120 South Africa	South Africa	South Africa	48	48	Consult
Mace Management Services (Pty) Limited Floor 2 Building 1 Waverley Office Park 15 Forest Road, Bramley Johannesburg Gauteng 2199 South Africa	South Africa	South Africa	100	100	Consult
Mace Management Services S.A C/Albacete 5 Floor 7, 28027 Madrid Spain	Spain	Spain	100	100	Consult
Management and Excellence Consultancy (Qatar) Limited 2nd Floor, Office 204 Building 63, Al Matar Street 310 Zone 27, Doha Qatar	State of Qatar	State of Qatar	97	97	Consult
Mace Management Services AG c/o OBT AG Steinengraben 42, 4051, Basel Switzerland	Switzerland	Switzerland	100	100	Consult
Mace Construction Management and Consultancy Services Limited Maçka Cad.Tuncer Building, No:29 D.13 Maçka, Şişli Istanbul, Turkey	Turkey	Turkey	100	100	Consult
Integrated YMR Partnership Uganda Plot 24b Akibua Road, Nakasero Ericson Building 3rd Floor Kampala Uganda	Uganda	Uganda	51	51	Consult
Mace (New Zealand) Limited* ^B	United Kingdom	United Kingdom	100	100	Consult
Mace Angola Special Projects Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace Consult Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace Consultancy (Asia Pacific) Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace Consultancy (Europe) Limited* ^B	United Kingdom	United Kingdom	100	100	Consult
Mace Consultancy (MENA) Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace Consultancy (Netherlands) Limited* ^B	United Kingdom	United Kingdom	100	100	Consult
Mace Consultancy (Peru) Limited* ^B	United Kingdom	United Kingdom	100	100	Consult
Mace Consultancy (Sub-Saharan Africa) Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace Consultancy (The Americas) Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace Cost Consultancy Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace International Overseas Limited* ^B	United Kingdom	United Kingdom	100	100	Consult
Mace Projects (South Africa) Limited* ^B	United Kingdom	United Kingdom	100	100	Consult
Msecure Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace North America Limited ^B 3500 Lenox Road Suite 1500 Atlanta GA 30326 United States of America	USA	USA	100	100	Consult
Mace Vietnam Company Limited ^B Floor 13, BIDV Tower, No. 194, Tran Quang Khai Street Ly Thai To Ward Hanoi City Vietnam	Vietnam	Vietnam	100	100	Consult
Mace Consultoría México, S.A. de C.V. (incorporated 14/01.2025) Piso 6-B, Guillermo González Camarena No. 1600 Col. Centro de Ciudad Santa Fe Alvaro Obregon, 01210 en la Ciudad Mexico Mexico	Mexico	Mexico	100	–	Consult

Notes to the financial statements

Continued

30. List of subsidiary undertakings (continued)

Consult (Discontinued Operations) (continued)

Other

Company	Country of registration/ incorporation	Tax Residency	Voting rights 2025 (%)	Voting rights 2024 (%)	Nature of business
Clove Holdings Investments Limited**	Gibraltar	Gibraltar	N/A	N/A	Holding company of Employee Benefit Trust
Mace Group I.C.S Limited Floor 3, Block 3 Miesian Plaza Dublin 2 Ireland	Ireland	Ireland	100	100	Non-trading
City Fringe Limited*	United Kingdom	United Kingdom	100	100	Holding company
Mace Group Limited*	United Kingdom	United Kingdom	100	100	Construct, Consult and Develop
Mace Limited* ^B	United Kingdom	United Kingdom	100	100	Construct, Consult and Develop
Mace Living Solutions Limited	United Kingdom	United Kingdom	100	100	Living Solutions
Mace International (UK) Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace Sustain Limited*	United Kingdom	United Kingdom	100	100	Consult
Mace Infrastructure Limited	United Kingdom	United Kingdom	100	100	Dormant
Mace Macro Limited* (dissolved 20 January 2026)	United Kingdom	United Kingdom	100	100	Dormant
Graduation Student Living Limited*	United Kingdom	United Kingdom	100	100	Develop
Greenwich Square Commercial Limited*	United Kingdom	United Kingdom	100	100	Develop
Greenwich Square Limited*	United Kingdom	United Kingdom	100	100	Develop
Mace Develop Limited*	United Kingdom	United Kingdom	100	100	Develop
Mace Developments (Greenwich) Limited*	United Kingdom	United Kingdom	100	100	Develop
Mace Developments (Stevenage) Limited*	United Kingdom	United Kingdom	100	100	Develop
Mace Developments (Watford) Limited* (incorporated 3 September 2025)	United Kingdom	United Kingdom	100	–	Develop
Mace Developments Limited*	United Kingdom	United Kingdom	100	100	Develop
TB Construction LLC 135 Madison Avenue, 8th Floor New York NY 10016 United States of America	USA	USA	100	–	Consult

* Companies are registered at head office address in the UK: 155 Moorgate, London, EC2M 6XB, England.

** Clove Investments Holdings Limited is an indirect investment of the Company. It is a direct investment of the Mace Finance Limited Employee Benefit Trust. The shareholder of Clove Investment Holdings Limited is a nominee shareholder and acts on letter of wishes given to them by Mace Finance Limited.

^B Companies with one or more international branch registrations.

The Company has guaranteed the liabilities of the following subsidiary exempt from audit under Section 479A of the Companies Act 2006. The Company name and registered number (CRN) is: Mace Group Limited (CRN: 4228706).

Mace Limited guarantees the liabilities for subsidiaries of the Group exempt from audit under Section 479A of the Companies Act 2006. This list is detailed within the consolidated accounts of Mace Limited.

31. Ultimate controlling party

Mark Reynolds is considered to be the ultimate controlling party of the Company and Group.



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