

M

**MOTT
MACDONALD**

M

● Mott MacDonald Group Limited

REPORT AND FINANCIAL STATEMENTS

31 December
2025

Mott MacDonald Group Limited

Engineering. Management.
Development.

Innovation and excellence applied
to achieve better outcomes for our
clients and society

Approximately 20,000 people
providing world-leading expertise

Independent and
employee owned
wholly focused on what is
best for our clients and staff

150+ years' heritage
deep domain expertise

Directors

James Harris (Group Chief Executive & Chair)
Paul Bentley (Group Executive Director)
David Johnson (Group Development Director)
Richard Risdon (Group Strategy Director)
Ed Roud (Group Finance Director)
Cathy Travers (Group Managing Director)

Company Secretary

Paul Ferguson

Auditor

BDO LLP
55 Baker Street
London W1U 7EU
United Kingdom

Registered office

10 Fleet Place
London EC4M 7RB
United Kingdom

Registered No. 01110949

marketing@mottmac.com
mottmac.com

Contents

Strategic report	2
Group Chief Executive and Chair – welcome	2
Corporate responsibility	3
Climate disclosures	4
Business and financial review	12
Managing risk and uncertainty	18
S172 Companies Act 2006 statement	20
Looking forward	26
Corporate governance report	27
Directors' report	39
Independent auditor's report	44
Financial statements	49
Group five-year summary	94
Group risk summary	95
Climate-related risks and opportunities	96

Strategic report

James Harris, Group Chief Executive and Chair – welcome

As the Group Chief Executive and Chair of Mott MacDonald, it is my pleasure to present our 2025 annual report.

The past year has seen us firmly respond with agility to cooling market conditions and the persistence of a complex operating environment.

Importantly, we have taken great strides in modernising our business over the last 12 months that position us well for future growth, particularly when market conditions improve.

In April, we announced that we were enhancing our employee-ownership model with improvements designed to empower our colleagues and foster a culture of shared success and collaboration. Our employee ownership is central to who we are and for further details of these improvements please refer to page 21 of the strategic report.

We have also accelerated our digital ambition – especially in the realm of responsible AI. This includes investing in partnerships with key technology providers and launching our own generative AI assistant ‘Every Mott MacDonald Answer’ – known as EMMA – which is part of a concerted effort to democratise AI for our employees.

There were some changes to our Executive Board in 2025 with Richard Risdon joining in January. He succeeded Ian Galbraith as Group Strategy Director following Ian’s retirement in September. Dean Radeloff was also named President and CEO of our North American region and Paul Hilton became Regional General Manager for our Middle East, South Asia and International Development business. Their extensive experience and leadership qualities will be invaluable as we continue to grow our business.

Mike Brown stepped down as an independent member of our Shareholders’ Committee in advance of taking on the role of Chair of HS2 Ltd. Mike was replaced as Chair of the Shareholders’ Committee by another independent member, Erin Flaherty.

Throughout 2025, we continued our involvement in some of the world’s most complex infrastructure projects. From breaking ground on Changi T5 in Singapore, a new chapter in aviation, to enhancing Auckland’s city planning and management through AI and transforming Australian Defence Base Services, we are at the forefront of innovation. We are also making significant strides in the renewable energy sector, upgrading water infrastructure and accelerating urban transport across Asia Pacific, Australia and New Zealand.

Recent milestones in the United States, including the opening of two new light rail stations in Seattle, and the September 2025 launch of the Zero-Emission Multiple Unit (ZEMU) hydrogen-powered passenger service in California, highlight our ongoing commitment to infrastructure development and sustainable transport innovation. This commitment will continue in our recent win with the Metropolitan Transportation Authority Construction and Development. The MTA runs North America’s largest public transit network, and we are delivering construction management services for critical upgrades at the College Point and Spring Creek bus depots in New York City. In Canada, our design role on the Toronto Pearson airport modernisation programme further underscores our capability in this field.

We have secured places on the latest round of asset management frameworks for 10 water companies in the UK this year, as well as playing a significant role in the country’s energy transition alongside National Grid. Our key role in infrastructure renewal and regeneration is underlined by our recent appointments to the Ministry of Justice’s Future Prisons Programme and as technical advisers to both National Highways and Transport for London’s property company Places for London. We have a rich history and legacy in UK rail and we continue to build on this with our involvement in upgrades around the country, as well as on High Speed 2.

Thank you for your continued support and trust in our business. Together, we will continue to achieve great things and make a lasting impact with our clients and the communities they serve.

Strategic report

Corporate responsibility

Our corporate responsibility efforts are in alignment with our company's purpose of using 'our expertise for the benefit of our clients and the communities they serve', our Group Sustainability Policy Statement¹ and Code of Conduct – Our Code² – which together reflect our values and commitments as a business to operate ethically, responsibly and intentionally across the globe.

These values and priorities are managed at the highest level of the company, with the Executive Board having overall accountability for setting our commitments and ensuring these are delivered upon. These are demonstrated by how we consider and mitigate environmental impacts, embed carbon management into project design and delivery, and make social investments in our communities. A detailed overview of the Group's corporate governance arrangements is provided on pages 27 to 38.

For our clients

With technical excellence and subject matter expertise at the core of our business, we are able to offer innovative and high-quality solutions to our clients. Through continuous measured investment in training, knowledge sharing and capacity building, we can respond to their needs of having climate and environmental resilience embedded as part of project delivery.

In our projects and operations

We assess and mitigate risks on our projects and within our operations. These assessments examine key areas of our business such as our supply chain, health and safety, ethics and environmental impacts.

Our business management system, which includes our ISO 14001 certified Environmental Management System (EMS), provides the framework for us to monitor office efficiency, energy consumption, waste and greenhouse gas (GHG) emissions. The steps we are taking to address climate-related impacts and risks are detailed in the climate disclosures section on pages 4 to 12.

We are also committed to not being complicit regarding any element of modern slavery within our business and supply chain. As such, we continue to enhance due diligence related to our procurement process, further embedding sustainability considerations. It is important to us to work with suppliers whose values and commitment to fair and legal employment practices are aligned with our own. We also train our staff on ways to identify and report modern slavery and forced labour. We respond promptly and appropriately to any raised concerns.

For our people

We remain committed to an inclusive and equitable workplace. We understand that a diversity of backgrounds, thoughts and lived experiences better positions us to meet the needs of our clients and communities. Our recruitment efforts remain focused on building a workforce reflective of the communities we serve and ensuring that our people have fair access to opportunities for professional development and career advancement. Our updated Global Inclusion Plan details our progress since the release of Everyone's Business in 2022.

In 2025, we also released Our People Commitments³, which details our efforts to enhance the professional and personal experiences of our people. We believe everyone should have a work environment where they feel a sense of belonging and are able to thrive. We also provide training and tools to our leaders and people managers to support them, as they support our teams across the globe.

We continue to utilise a wellbeing risk assessment tool, verified against ISO 45003: Managing Psychological Health & Safety in the Workplace, which empowers our people to report and address wellness concerns. For us, wellbeing means creating a work environment where our people have physical and psychological safety.

¹ mottmac.com/en-gb/about-us/governance-and-policies/policies/sustainability/

² mottmac.com/en-gb/about-us/purpose-and-values/our-values/

³ mottmac.com/en-gb/about-us/governance-and-policies/policies/people/

Strategic report

For our communities

Our commitment to making positive contributions in our communities, beyond the delivery of our projects, has not wavered. With direction and support from the Executive Board, we launched a focused effort to refresh our approach in delivering sustained and transformational community programming.

We recognise the value our strategic community investments have brought to the lives of the people and partner organisations we have supported over the years. Donating time and talent through literacy programmes, school renovations and public space rehabilitation have been some of the ways we have invested in our local communities. Through our programmes, we have also introduced young people to engineering and engineering-related professions in a meaningful way, and in the hope that they will see themselves as part of our organisation in the future.

During this refresh, we continued to support our communities via educational, environmental and workforce development programming and worked to embed community investment governance in our business management system.

Climate disclosures

We have taken steps to address climate change mitigation and resilience across the business. As a large unquoted company, Mott MacDonald Group falls in scope of the UK Government's Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. This section describes our governance, strategy, risk management, metrics and targets in relation to climate change, and also communicates our progress in reducing carbon and energy consumption.

The content of the statement is structured according to the reporting requirements set out in the above regulations and accompanying non-binding guidance.

Governance

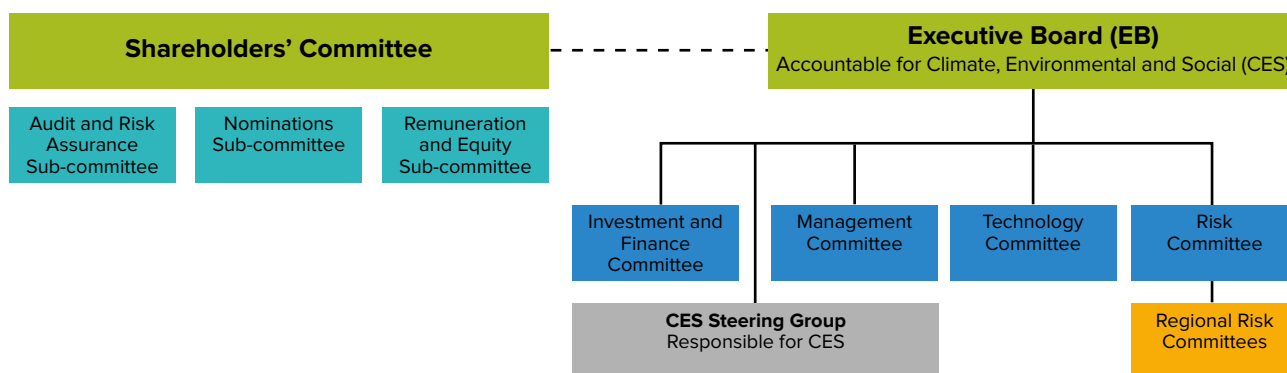
The Group has established an integrated approach to governance of Climate, Environment and Social (CES), inclusive of climate-related risks and opportunities. The Executive Board has overall accountability for CES and signs off Group-level mandatory disclosure, including Climate-related Financial Disclosures and Streamlined Energy and Carbon Reporting (SECR) through the annual report and financial statements. The Executive Board delegates responsibility for oversight of CES matters to the CES Steering Group whose purpose is to ensure that an appropriate governance environment is in place, implemented by appropriately qualified and experienced parties, and effective. The CES Steering Group reports to the Executive Board as required on progress. Opportunities for growth of our sustainability-related services and capabilities, including climate, are overseen by the Executive Board and its committees through our Group strategy (see the 'business impacts, response and resilience to climate-related risks' section on pages 7 and 8). In 2025, we reaffirmed our sustainability commitments, approach and responsibilities within our updated Group Sustainability policy, which covers our business principles across climate, the environment and society.

Alongside these dedicated governance arrangements, relevant responsibilities are also embedded within the terms of reference of the committees of the Executive Board. The Management Committee manages business performance, including on carbon reductions, while the Risk Committee provides a framework to identify, assess and manage risks. Throughout 2025, these committees have monitored our progress in managing identified climate risks through quarterly updates. Please refer to the metrics and targets section of this statement on page 8 for the details of our approach.

Strategic report

The Shareholders' Committee supports and challenges the Executive Board. The Shareholders' Audit and Risk Assurance Sub-committee is responsible for reviewing and challenging the risk management and control environment of the Group and may request updates on the implementation of our Group response to climate-related risks.

A detailed overview of the Group's corporate governance arrangements, outlining the roles and responsibilities of each committee, is provided on pages 27 and 28.



Risk management

Within the Group, opportunity, uncertainty and risk, including for climate, are led through the Risk Committee. In 2023, a Group-level assessment was undertaken to identify specific risks aligned to the risk types recommended by the Task Force on Climate-related Financial Disclosures (TCFD) framework and taking into consideration different climate-related scenarios. The assessment outputs were revisited in 2025 to confirm their continued relevance and to reflect the current operating context. The review concluded that no material changes were necessary. A summary of the assessment outputs is provided in the 'strategy – principal risks and opportunities' section of this statement on page 6.

The Executive Board has retained climate change as one of our Group principal risks, and as such it continues to be embedded across the Enterprise Risk Management (ERM) framework. As part of this process, the Group has developed a climate change risk treatment plan to define the actions and responsibilities required to manage our Group climate-related risks in line with the Group's climate risk appetite. The treatment plan was reviewed and updated in 2025 as part of the Group's annual review cycle. Refer to pages 18 and 19 of this report for a detailed outline of the Risk Management framework and to page 95 for our Group principal risks.

Climate change is also part of the risk catalogue within the ERM framework. This is an integral part of the risk assessment process utilised at function, unit and regional levels, which will routinely identify and assess climate risks and, where required, be escalated to the Risk Committee.

The Group operates a business management system, STEP, which sets out the policies and procedures that are applied across the organisation. Mott MacDonald has taken measures to ensure that climate risks are specifically embedded within the STEP processes to inform the way we deliver our projects, operate the business, choose our suppliers and manage our Group carbon footprint. For further details on the management of opportunity and risk, please refer to pages 32 to 34 of the corporate governance report.

Strategic report

Strategy – principal risks and opportunities

The Group-level assessment of climate-related transition and physical risks and opportunities, applied the following five-step approach:

1. Identification of risks and opportunities by considering climate change in the business risk catalogue and prioritising key risks and opportunities based on materiality;
2. Definition of time horizons and climate scenarios to guide the qualitative assessment of the identified risks;
3. Qualitative assessment of the identified risks against time horizons and scenarios, to generate a risk or opportunity rating (low, medium or high);
4. Qualitative analysis of the impacts of such risks on business strategy, business model and operations; and
5. Validation and summary of risks and opportunities identification and assessment.

The outcomes of this assessment subsequently informed the Group's climate change risk treatment plan, which is reviewed annually.

Risks were assessed under three time horizons as follows:

- **Short term:** 1-2 years – aligned to our annual business planning and enterprise risk management processes;
- **Medium term:** 3-10 years – aligned to business strategy; and
- **Long term:** over 10 years – aligned to our carbon reduction and net-zero targets.

Three climate change scenarios were considered qualitatively in the assessment across the selected time horizons. The Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathway (SSP) scenarios were identified as the most relevant resource, a choice which is consistent with the Group approach to align to the latest climate science. The Group selected three scenarios (SSP1, SSP2, SSP5) that vary in their levels of ambition for mitigation and adaptation. These scenarios also encompass a range of societal, market and regulatory factors to which Mott MacDonald is more exposed. In our analysis, we also considered the assessments produced by Working Group II and III to the IPCC Sixth Assessment Report applied to the same scenarios. The key parameters and assumptions for each scenario can be summarised as follows:

- **Paris-aligned** – A gradual but pervasive shift towards a more sustainable path produces strong economic growth and a broader emphasis on human wellbeing and reducing inequality. Resolute and immediate mitigation policies limit global warming to near 1.5°C and well below 2°C thanks to high levels of electrification, energy and material efficiency, and renewable energy. Socio-behavioural responses are oriented towards lower demand and pressure on natural resources. A pervasive expansion of forests and natural lands greatly reduces climate-change damage to people and nature. This scenario is broadly commensurate with delivering upon the Paris Agreement, with low challenges in implementing mitigation and adaptation measures.
- **Middle of the road** – Social economic trends do not shift markedly from historical patterns causing uneven development and income growth, and slow progress in achieving the sustainable development goals. Environmental systems experience degradation, although there are some improvements. Moderate mitigation efforts lead to balanced energy development, featuring a continuation of the current fossil fuel dominated energy mix, broadly commensurate with medium challenges to mitigation and adaptation. It is assumed this scenario does not increase the ambition of current global pledges and targets, which are divergent across countries and sectors, leading to a delayed transition and severe physical risks.
- **Reasonable worst case** – This scenario is reliant on competitive global markets and innovation to drive rapid technological progress and human capital development, viewing these as key to achieving sustainable development. The continued exploitation of abundant fossil fuel resources supports rapid economic growth and energy intensive lifestyles around the world, boosting energy demand. High challenges in implementing mitigation measures are predicted to cause long-term, widespread and irreversible adverse impacts to nature and people, beyond natural climate variability.

Strategic report

Business impacts, response and resilience to climate-related risks

The material risks and opportunities identified for our business and their impacts are presented below and summarised on page 96. The Group has not yet quantified the financial impact of these risks and opportunities and has only performed a qualitative assessment. At present, we do not anticipate the climate change risks identified to be material to our financial statements.

Transition risk – policy and legal: *The risk that Mott MacDonald will be unable to meet requirements under current and emerging climate regulation, including carbon reduction targets and climate change risk disclosure.* This could lead to penalties or reputational damage because of non-compliance. As a professional business service, the inability to adapt to rapidly evolving requirements could also translate into revenue loss if clients' tightening selection criteria cannot be met.

We consider our exposure to this risk to be medium and more likely to impact the business in the short-term horizon and in a Paris-aligned scenario as a result of rapidly evolving standards and enhanced climate regulations, such as those emerging from the adoption of the International Financial Reporting Standards (IFRS) sustainability standards. It is assumed that the risk will reduce in longer time horizons as the business will adapt to new climate-related requirements, and that less stringent regulation will be introduced in a middle-of-the-road or reasonable worst-case scenario.

In response to this risk, we are implementing actions and activities to support our business transition, having established GHG emissions reduction targets and plans. Please refer to the pages 8 to 12 for the details of our approach and progress. We are also enhancing our regulatory foresight capabilities through our Environmental Management System (EMS).

Transition risk – market: *The risk that our capabilities may not match the requirements of our clients in our core and emerging markets.* It is assumed that climate change will have implications for sectors in which Mott MacDonald Group operates as our clients transition assets, operations and business models to align with the latest climate science recommendations. The Group's inability to evolve its capabilities to continue to meet clients' needs would drive revenue loss from existing clients and lead to missed strategic opportunities to support transition growth sectors. Indirect impacts would also affect the business's ability to attract and retain talent, knowledge and skills with knock-on effects on project delivery.

The speed of this transition differs under the different scenarios and creates both risks and opportunities, but in all scenarios, the risk that our capabilities will not match the requirements of our clients in our core and emerging markets is expected to be low. As an employee-owned organisation that primarily provides consulting services, our business model is inherently adaptive and our service offering evolves alongside our markets and clients. Our annual strategic statement outlines additional areas we wish to focus on and informs our regional business plans and our global sectors' strategies, including considerations of climate risks. We also consider our core civil engineering skillset to be closely aligned to delivering the decarbonisation and resilience efforts needed to manage future climate change. We are already undertaking Group-wide initiatives that strengthen our technical capabilities to meet the growing demand for climate-related services, for example through our Climate Change Academy. We continue to expand and evolve our services across decarbonisation, climate change resilience and the energy transition.

As such, we are well positioned to seize the **market opportunity** to grow decarbonisation and resilience technical services to our clients. The Paris-aligned and middle-of-the-road scenarios are expected to provide the biggest opportunity to increase revenue from climate-related services, especially in the short and medium term, as new climate policies are introduced and investments in climate-resilient infrastructure rise. This is likely to generate additional benefits, such as improved employee attraction and retention, as well as positive brand differentiation.

Strategic report

Physical risk – acute and chronic: *The risk of significant harm, damage and disruption to our workforce, assets and project delivery due to physical impacts of climate change on our operations.* Chronic impacts of climate change may affect the safety and wellbeing of our employees, especially those who travel internationally or work outdoors. Project delivery may be impacted and work in some locations may become difficult or not viable. Acute impacts from extreme weather events can cause disruption to business operations, particularly in locations where project delays and suspensions are likely to lead to increased costs, reduced revenue and reputational losses. Extreme weather events may also damage physical assets, causing legal liability or impact insurance cover.

We expect the physical risks of climate change to have limited impact on our business operations in the short term. As an organisation with no significant owned capital assets, the financial impact of climate change is unlikely to be material. Our ability to continue operating safely in the event of acute climate change events is supported by business continuity and project contingency planning. Physical risks are expected to be higher in a medium/long-term horizon, especially in the reasonable worst-case scenario, as the frequency and severity of extreme weather events continue to increase. We recognise that certain business areas will be more exposed and vulnerable due to their location and/or sector of operations. The ERM framework and business strategy are in place to enable consideration of physical impacts of climate change arising in the medium to long term. Mitigation for this risk is also documented within our safety management system.

Metrics and targets

The absolute reduction of GHG emissions constitutes the key performance indicator used to assess progress against our identified climate-related risks and opportunities. Our overarching target is to reduce carbon emissions from our global business Mott MacDonald Group Limited and its subsidiaries (MMG) to net zero by 2040, with a reduction in scope 1, 2 and 3 emissions of 90% by 2040 (from a 2019 base year).

In the short term, we aim to reduce by 2030 our scope 1 and 2 GHG emissions by 46.2% and relevant scope 3¹ emissions by 28% from a 2019 base year. We are also committed that 70% of our spend will be with suppliers who have science-based targets by 2027. Our targets are verified by the Science Based Targets initiative (SBTi). Please refer to the 'emissions performance' section in this statement on page 10 for the details of our progress.

Aligned to SECR, we also report upon our energy consumption and associated GHG emissions. We will consider the development of additional risk-aligned metrics and targets in line with requirements from the International Sustainability Standards Board (ISSB) and the UK Government's regulatory instruments.

Reporting boundary and methodology

The reporting boundary of our carbon footprint is the global business of MMG. It is set according to the control approach, under which MMG accounts for 100% of GHG emissions from operations over which the Group has operational control. For the purpose of SECR, the reporting boundary is constrained to our UK business, which is comprised of the UK offices of Mott MacDonald Limited (MML) (see table 2 on page 11) and J.N. Bentley Limited (JNB) (see table 3 on page 12).

The inventory methodology aligns with the GHG Protocol Corporate Accounting and Reporting Standard, covering:

- Scope 1: direct emissions from sources owned or controlled by us, including:
 - combustion of fuel from office energy
 - refrigerant gases
 - combustion of fuel from company-owned vehicles
 - combustion of fuel from plant used on site (JNB)
- Scope 2: indirect emissions from the generation of purchased electricity

¹ Scope 3 GHG emissions from fuel and energy related activities, waste generated in operations, business travel and employee commuting.

Strategic report

- Scope 3: indirect emissions:
 - Category 1: Purchased goods and services
 - Category 2: Capital goods
 - Category 3: Fuel and energy related activities
 - Category 4: Upstream transportation and distribution
 - Category 5: Waste generated in operations
 - Category 6: Business travel
 - Category 7: Employee commuting

Emissions are measured in tonnes of carbon dioxide equivalent (tCO₂e), using the most recent conversion factors such as from the UK Department for Energy Security and Net Zero and the International Energy Agency. In the absence of more granular activity data or emission factors, a spend-based method has been applied, including the use of conversion factors by spend provided by Defra. Our methodology is documented within detailed statements for each emission source and these method statements are used to support the verification of our carbon footprint to ISO 14064.

Measures to improve energy and carbon performance: our transition plan

A key element of our approach to transition planning is establishing and implementing a carbon reduction plan to meet our carbon reduction targets. This is reviewed and updated to reflect emerging priority areas where required. In total, five areas have been prioritised to drive deep reductions across the business:

- **Governance:** *embedding low-carbon decision making into our business operations*
We have continued to embed our carbon calculation and reduction requirements into our business management system. In doing so, we have successfully delivered quarterly carbon calculations and embedded carbon reduction into regional board reporting. We have continued to refine and improve our carbon calculation methodology and tools to enable our business to make informed decisions based on good-quality data. In some instances, these improvements have resulted in adjustments to previous year emissions to ensure consistency. The data displayed in tables 1-3 on pages 11 and 12 includes the baseline (2019) and performance data for 2024 and 2025.
- **Transition to low carbon energy:** *driving implementation of the energy reduction hierarchy across the business*
Reducing energy consumption is a key lever to address our scope 1 and 2 emissions. Within our offices, we continue to use energy-efficient equipment and utilise controls to manage our energy consumption. In 2025, one way we demonstrated this was through our achievement of SKA accreditation for a major office relocation project in the UK. On another project, we partnered with a charity to facilitate the reuse of office furniture, supporting resource efficiency. Alongside this, we have continued to procure renewable energy, maintaining our ambition to decarbonise our office energy supply. On our sites, our contracting business (JNB) continues to utilise our site power hierarchy which prioritises lower carbon options such as solar and/or battery packs to improve efficiency. We have also continued to use hydrotreated vegetable oil (HVO) in plant equipment as a lower carbon alternative to diesel. Our plant operators also undertake eco-operator training to raise awareness of practical opportunities for improving energy efficiency.
- **Low carbon procurement:** *supporting scope 3 emissions reductions through our procurement processes*
Reducing the carbon impact of the goods and services we purchase relies on supplier engagement and informed procurement decisions. We have adopted a tailored approach, with each business region conducting outreach to understand the carbon reduction journey of our top suppliers. Our supplier due diligence processes have also been updated to reflect our sustainability requirements. To ensure our procurement actions are more accurately reflected within our carbon footprint, we have begun collecting and integrating actual supplier emissions data into our carbon calculations for the first time. We will continue to refine and evolve our approach to embedding sustainability values into our procurement practices.

Strategic report

- **Travel policy and behaviours:** *encouraging and facilitating lower carbon travel options*

We have developed a roadmap to climate-conscious business travel, guiding our carbon reduction ambitions through to 2030 and shaping our travel programme and policies. This includes continued efforts to shift UK domestic journeys from air to rail – an initiative that was recognised alongside our rail partner Avanti West Coast at the Business Travel Sustainability Awards. We have also expanded our non-compliance policy to include selected European flight routes and introduced a more robust approval process for international travel. To encourage behaviour change, we are improving transparency around travel behaviours through enhancements to our internal dashboarding. Additionally, we are progressing with our ambition to bring all entities into our managed travel programme, which will strengthen data transparency, embed more rigorous approval processes and support our transition to using International Air Transport Association (IATA) emissions for air travel – enabling colleagues to make low-carbon choices at the point of sale.

- **PAS 2080:** *embedding carbon management principles into our designs*

To drive systemic carbon reductions in buildings and infrastructure design, we have been certified to PAS 2080 (the international specification for carbon management in buildings and infrastructure) as a designer since 2017. We plan to maintain our certification and in doing so continue to mature our carbon management system.

Emissions performance

We report data for the calendar year. Our global carbon footprint has undergone external verification to ISO 14064. Progress against our plans, targets and KPIs is monitored by the Executive Board through the Management Committee and the Risk Committee.

From 2019 to 2025, our scope 1 and 2 emissions decreased by 43%. The reduction in our near-term focus emissions since the base year is reflective of the measures delivered through our transition plan. For scope 1 and 2, reductions have been driven primarily by shifting our office electricity to renewable and through the transition to biogenic fuels used on our construction sites.

When considering only the scope of emissions included within our near-term absolute reduction targets (which exclude emissions covered by our supplier engagement target) in 2025 our scope 3 emissions reduced by 28% from 2019. These emissions have reduced because of less business travel mileage across all travel modes. Our colleagues are encouraged to travel more efficiently (e.g. trip consolidation) and to make use of video conferencing where possible. To address our supplier engagement target, we have initiated our regional supplier outreach programmes and revised our supplier due diligence approach.

Our total emissions across scope 1, scope 2 and all reported scope 3 categories (long-term absolute reduction target) for MMG decreased by 4% compared to our 2019 baseline. To strengthen the accuracy of our reporting, we plan to continue increasing our use of supplier-specific emissions data to better reflect lower-carbon procurement decisions going forward.

Over the same period, the business has grown significantly, with total revenues increasing by 39%. Despite this growth, our emissions intensity per employee has decreased by 22% since 2019. We remain firmly committed to reducing our emissions in line with our carbon reduction targets and will continue to monitor our footprint to inform appropriate strategies and initiatives that will reduce the carbon impact of our operations.

Please refer to table 1 on page 11 for the full details of the Group carbon footprint, including all reporting entities and all scopes of emissions included within our science-based targets. Please refer to tables 2 and 3 on pages 11 and 12 for the energy consumption of associated emissions for our UK entities: Mott MacDonald Limited (table 2) and J.N. Bentley Limited (table 3).

For the purpose of SECR, we only report business travel emissions from hire vehicles and grey fleet respectively in tables 2 and 3, whereas table 1 includes emissions from all types of business travel. The years of reporting include our target baseline year (2019), the previous reporting year (2024) and our latest reporting year (2025). For further information, refer to our Group carbon footprint report.

Strategic report

Mott MacDonald Group carbon and energy reporting

Note: As a result of improved data quality and calculation methodology, the data displayed may differ to what has been reported in previous years. To compare emissions progress on an annual basis, each year has been recalculated using a consistent footprint methodology.

Table 1: MMG (global engineering, management & development consultancy and building & civil engineering contracting businesses)

	Quantity (MMG)		
	2025	2024	2019 – Baseline
Total in-scope GHG emissions (tCO₂e)	254,674	279,610	266,647
Scope 1: Office gas, fuel and fugitive emissions (tCO ₂ e)	9,928	12,038	14,966
Scope 2: Market-based electricity ² (tCO ₂ e)	2,797	3,253	7,418
Scope 3: Total (tCO ₂ e)	241,949	264,319	244,263
Category 1: Purchased goods and services	171,344	189,292	166,376
Category 2: Capital goods	11,264	12,957	4,456
Category 3: Fuel and energy related activities*	4,575	4,902	5,283
Category 4: Upstream transportation and distribution	24,121	26,248	24,588
Category 5: Waste generated in operations*	2,140	1,513	2,285
Category 6: Business travel*	20,221	20,599	26,514
Category 7: Employee commuting*	8,284	8,808	14,761
GHG emissions intensity (tCO₂e/employee)	13.57	14.89	17.43
% change in tCO ₂ e from base year (2019):			
Scope 1 & 2	-43%	-32%	
Scope 3 (near-term focus*)	-28%	-27%	
Scope 3 (total)	-1%	+8%	
Scope 1, 2 & 3	-4%	+5%	
GHG emissions intensity (tCO ₂ e/employee)	-22%	-15%	
<i>Outside of scopes: biogenic emissions (tCO₂e)</i>	3,917	2,885	–

Table 2: MML (UK engineering, management & development consultancy business) for the purposes of SECR reporting

	Quantity (MML)		
	2025	2024	2019 – Baseline
Total energy consumption (kWh)	10,643,246	12,672,951	20,634,758
Office energy: electricity and gas (kWh)	4,257,808	6,507,236	11,502,063
Business travel: car (kWh)	6,385,438	6,165,715	9,132,695
Total in-scope GHG emissions (tCO₂e)	2,135	2,317	4,472
Scope 1: Office gas and fugitive emissions (tCO ₂ e)	201	418	1,076
Scope 2: Market-based electricity (tCO ₂ e)	110	106	892
Scope 3: Business travel – car (tCO ₂ e)	1,824	1,793	2,504
GHG emissions intensity (tCO₂e/employee)	0.27	0.30	0.78
<i>Outside of scopes: biogenic emissions (tCO₂e)</i>	25	86	–

² Location-based scope 2 emissions in 2025, 2024 and 2019 are 4,313 tCO₂e, 4,801 tCO₂e and 6,812 tCO₂e respectively.

* Scope 3 emissions covered by our near-term absolute reduction target.

Strategic report

Table 3: JNB (UK building & civil engineering contracting business) for the purposes of SECR reporting

	2025	Quantity (JNB) 2024	2019 – Baseline
Total energy consumption (kWh)	56,849,010	58,110,990	57,913,667
Office energy: electricity and gas (kWh)	470,864	481,440	788,797
Company vehicles and plant energy: gas oil, diesel and petrol (kWh)	45,504,840	47,819,835	47,742,617
Business travel: car (kWh)	10,873,306	9,809,715	9,382,253
Total in-scope GHG emissions (tCO₂e)	10,896	12,306	15,401
Scope 1: Office gas and fugitive emissions (tCO ₂ e)	21	33	43
Scope 1: Plant energy (tCO ₂ e)	6,066	7,737	9,766
Scope 1: Company vehicles (tCO ₂ e)	2,318	2,284	2,521
Scope 2: Market-based electricity (tCO ₂ e)	11	10	54
Scope 3: Business travel – car (tCO ₂ e)	2,480	2,242	3,017
GHG emissions intensity (tCO₂e/employee)	4.91	6.04	9.91
<i>Outside of scopes: biogenic emissions (tCO₂e)</i>	3,892	2,799	–

Business and financial review

Business environment

Geopolitical disruption and economic uncertainty continued to impact our business environment in 2025.

Public sector funding and private sector investment remained tight, reducing opportunities for growth in our key markets and delaying or cancelling the start of projects already secured.

The threat of a global recession receded during 2024 but in many economies low business confidence, negative market sentiment and economic uncertainty continued to depress market activity in the first half of 2025, before a slight uptick in volumes in the second half.

We do not expect much change in those market pressures in 2026. Organic growth is expected to be low across our markets, with volumes continuing to be depressed by pressures on private sector investment and public sector infrastructure budgets, against a backdrop of economic uncertainty and geopolitical disruptors impacting business confidence and depressing the level of infrastructure projects.

Business response

We have increasingly concentrated efforts on our target markets, with a selective focus on good-quality clients with good-quality projects in a positive business environment with more open and collaborative behaviours the norm; fair terms of business and good cash returns. Our reputation and core skills provide us with a competitive and appealing business opportunity for long-term growth with like-minded business partners.

We have withdrawn or reduced our presence in markets we now see as being unattractive or challenging where the margins, cash returns or terms of business make them unattractive, too expensive or uncertain to commit to, and of little benefit in the strategic outlook for the business.

We have focused on improving our project profitability by being more selective on market, client and project type. However, on project profit improvement, there is more for us to do on efficiency and productivity, and we take that challenge into 2026. Overhead management was more challenging in 2025, given the uncertainty and unpredictability with volumes and the order book. This is also a focus for us in 2026.

Strategic report

Our overall strategy, together with our accelerated growth pathways, have helped us meet our clients' objectives and priorities, enabling them to deliver to their stakeholders. That success with our clients leads to longer-term business opportunity and enhances our reputation.

The one part of the Group where we cannot see long-term opportunity to achieve reasonable growth levels and generate reasonable profit and cash is the International Development business. Governments across the world have significantly reduced their overseas aid budgets to fund investment in infrastructure and social support programmes for health and education in less developed countries. It is challenging to see that government funding return to any meaningful investment level soon. Our International Development business was small compared to larger independent operators in the market. A decision was taken by the Executive Board in June 2025 to rationalise the business as new work opportunities had declined significantly, with little visibility of forward work. At this time, we are not looking to take on new work in this market.

Strategic review

During 2025, we have focused on embedding the priorities from the 2023 strategic review and the 2024 development of our accelerated growth pathways, to capitalise on their value and use them as strategic catalysts across the business. The strategic benefit of actively using those findings will enable us to build scale in key markets that provide us with growth and market diversity.

The S172 statement on pages 20 to 25 sets out some more detail of the initiatives we have taken on to improve resilience, strengthen governance and continue to build the quality of the underlying business. These provide solid support for business growth with clients who trust us to deliver on what we say we will do. They also provide effective outcomes for our staff, governance and controls.

Financial review

Revenue and operating profit

The financial metrics that are used to monitor business performance are revenue growth, operating profit growth and operating profit margin.

Gross revenue of £2,482m was 1.4% down on 2024 (£2,518m). Organic growth was broadly flat, with most of the fall in total revenue from exchange (1.3%). Operating profit of £89.7m was 10.9% down from 2024 (£100.7m), with the operating margin at 3.6% (2024 – 4.0%). The profit before tax margin at 4.3% was also down from 2024 (4.9%).

The flat revenue performance is broadly explained across geographic markets by increases in revenue in the consulting and contracting businesses in the UK being offset by falls in revenue in the consulting businesses in the US, Canada, Australia and Hong Kong. A geographic analysis of gross revenue by destination is in note 5 to the financial statements.

Across the business, revenue from consulting was 76% of overall revenue with 24% from contracting, compared to 78%/22% respectively in 2024.

Consultancy business revenues were down 3.7% year on year (£1,883m in 2025 vs £1,955m in 2024), with continuing economic and political uncertainties adversely impacting volumes across its global markets, and some large projects being deferred or cancelled. However, the contracting business, a UK business principally operating in the UK water market, has seen good revenue growth in the current year, up 6.3%. With the next Asset Maintenance Programme (AMP) cycle about to start, it is well positioned for continuing revenue growth, given its successful track record with the previous AMP7 cycle work and the framework wins it has secured for AMP8.

The fall in operating profit and margins is as a result of enhancing our employee-ownership and reward model through increased participation in performance bonus pools, with underlying business performance otherwise comparable with last year.

Strategic report

The Executive Board is comfortable with the level of volumes and profitability in the consultancy business, given the market pressures noted above and its response to them. The Group continues to operate effectively and efficiently in challenging markets, and the Executive Board is confident that the long-term market fundamentals are resilient, with the business well placed to navigate its way through any challenges that the current markets present.

The UK consultancy business maintained good profit and operating margins, given the adverse trading conditions in its markets. However, profits in the US and Australian consultancy businesses experienced higher-than-usual overheads from the lower volumes across their markets which depressed profits. Notwithstanding the adverse impact from overheads, those businesses remained profitable and positively contributed to the overall Group margin.

The contracting business benefitted from increased profit and improved margins in the year, benefitting from strong markets as the current AMP7 cycle drew towards a close and as AMP8 offered some opportunity in the early stages of the next trading cycle.

The Group's foreign exchange losses on trading fell from £3.5m to £1.4m, with sterling impacted by the current economic and geopolitical volatility. The Group uses natural hedging as its main approach to currency management.

The Group's captive insurance company, MHACE Insurance Company Limited (MHACE), turned from a loss-making position last year to a profitable one this year, mainly due to the timing of claims being settled and provisions being made. There is no change to the risk profile of the captive's claims or the quality of work and reputation that the Group has for excellence in the market.

Non-operating income

Non-operating income of £18.2m (2024 – £22.6m) was from the research and development expenditure credit scheme, income received from current asset investments in MHACE, net interest received on cash deposits and money market placements, and other finance income from pension accounting. The net fall is mostly due to reductions in research and development relief received in respect of previous years and recognised for the current year.

Workload

There continues to be focus on reviewing lead indicators of workload and the resources required to deliver it. The order book, win rates, prospects and staff utilisation are all reported to the Executive Board monthly. Utilisation was at the lower end of the normal operating range in 2025 given the challenging markets and uncertainty over project start dates. It remains challenging for management to address this issue due to uncertainties around timing of work and the need to retain talent and skills for project delivery. The Group continued to carry out a process of selective staff redundancies during the year, to better balance resource with actual and projected workload levels.

Finally, we continued to add to our capability and efficiency during 2025 through special projects and strategic initiatives focused on driving productivity and value for the Group and its stakeholders. This will accelerate during 2026, with continuing investment.

2026 markets

As we enter 2026, most of the businesses have reasonable visibility of their markets. The consulting business is still facing uncertainty, with markets remaining slow and looking to have limited recovery in the short term. 2026 looks to be another challenging year ahead, with low-level organic growth and flat margins.

The Group's strategy for the consulting business, the discipline from its purpose and selective focus, and the development of its accelerated growth pathways are all providing insight and clarity on choice of markets, clients and projects.

Strategic report

The contracting business should continue to benefit from good-quality markets on a new AMP cycle, with the Group in a good position to capitalise on its strong market reputation and maintain good growth in volumes and profits.

Cash and liquidity

The business continued to improve its cash position and liquidity, as part of a focused objective of the Board to build the balance sheet and improve resilience and liquidity. Strong budgetary control and effective working capital management have contributed to a healthy balance of cash backed profits, a good level of balance sheet liquidity and a healthy trend line for cash. Net funds, including term deposits with original maturities over three months, at the year end were up 25.6% at £509.7m (see page 94 for composition). Net gearing remained nil. There is negligible debt in the business. That drive for increased cash and improved liquidity will continue to provide the Group with the necessary capital to fund organic growth and investment.

Together with its bank facilities, the improved cash position provides the necessary capital for technology-driven growth in AI and digital, strategic acquisitions, specialist skills for niche market development and market positioning through strategic alliances and joint venture partnerships where there is a powerful business rationale to do so.

Cash management

Despite the improvement in cash and the positive movement in balance sheet liquidity, working capital improvement continues to be a focus for the Board, especially for the businesses in North America, Australia, East Asia and the Middle East where gross working capital days remain above the Group average. This is mainly due to a need for improvement in operational efficiencies and client focus rather than any concern or issues with recovery of contract assets or trade debtors.

In 2025, net cash inflow from operating activities was £142.5m (2024 – £87.9m). While net working capital (trade debtors plus contract assets less contract liabilities) increased during the year, there was a marked improvement in the last quarter, such that we ended the year with net working capital down by £8.1m (2.7%) at £288.2m. However, there is a lot more to do to reduce this value and maintain it at a reasonable level throughout the year.

There is no evidence of material adverse credit risk in working capital balances. Instead, slower payment profiles on certain clients and geographies need to be addressed by the local businesses through improved operational controls or a strategic switch to better-quality clients and markets.

There were no unusual or exceptional items in the areas of investing activities or financing activities in the cash flow analysis.

Investing activities mainly relate to plant, equipment and related assets in the contracting business, given its growth, and office fit-outs across the whole business as we improve the quality and comfort of the working environment.

Financing activities mainly relate to share warehousing transactions between the Mott MacDonald Employee Trust and the company, and the annual dividend paid to shareholders. Debt of £9.3m at the year end, primarily for hedging, is insignificant in the context of overall liquidity and the Group's bank facilities.

UK defined benefit pension scheme

The UK scheme is held by Mott MacDonald Limited (MML), the Group's UK consultancy business.

A full actuarial valuation carried out at the end of April 2024 showed the scheme to be fully funded on a technical provisions basis. From 1 May 2024, no further deficit contributions were required to be paid by MML to the scheme for the foreseeable future.

At 31 December 2025, the surplus was £27.3m on a technical provisions basis (106.4% funded).

Strategic report

The FRS 102 pension scheme asset of £42m (see note 25(c) to the financial statements) has not been recognised in the financial statements as access to the surplus is not unconditional and is only with trustee agreement.

The corporate trust and their advisers are currently working together with MML on preparations for a decision anticipated in 2026/2027 as to whether it would be in the overall best interest of scheme members to secure liabilities and agree a company proposal (assuming circumstances remain financially attractive), to negotiate a buy-out arrangement with an insurer in 2028/2029. A necessary precursor to any decision by MML and subsequently the trustee is for the scheme to be fully funded. As at 31 December 2025, the scheme met this requirement – being funded on a solvency basis.

Other Group defined benefit pension schemes

The Group also has a small defined benefit pension scheme in Ireland held in Mott MacDonald Ireland Limited, which is also fully funded on a technical provisions basis (€2.0m surplus – 127% funded). The FRS 102 surplus of €3.6m (see note 25(b) to the financial statements) has not been recognised in the financial statements as access to the surplus is not unconditional and is only with trustee agreement.

During the year, the Group transferred to an external party its small US defined benefit pension scheme which had a small surplus of \$0.4m at the time of transfer and was held in Mott MacDonald Group, Inc.

Bank facilities

There is a five-year multi-currency revolving credit facility of £125m in place with two banks until 22 December 2030, with an accordion of £50m in the main facility agreement to take capacity potentially up to £175m. The Group also has facilities to provide tender bonds, performance bonds and advance payment bonds in the normal course of business.

Covenants

The covenants for the £125m credit facility assess the Group's debt and interest in relation to its earnings. These covenants have been comfortably met during 2025 as the Group has an insignificant amount of debt currently drawn down and a strong earnings position.

Covenants are reported to the banks four times a year within 60 days of each quarter end and 120 days of the year end.

At the time of signing the financial statements, the directors are of the view that the covenant position for the banks will not change significantly during 2026.

Dividend

The directors declared an interim dividend of 65p per share in November 2025, a 12% increase over the prior year (November 2024 – 58p per share) and a 4.4% dividend yield. The directors decided not to declare a final dividend. The dividend reflects a good set of financial results given the challenging market conditions.

All shareholders are employees in the Group.

Shareholders' equity

Equity attributable to the owners of the parent company at £523.2m has increased by £33.1m compared to December 2024. The increase mainly came from profit transferred to reserves of £68.8m and a change in restriction of pension asset recognised of £2.4m, partially offset by:

- an FRS 102 actuarial loss after tax on pension schemes of £4.3m;
- an exchange loss on the translation of the net assets of overseas subsidiaries of £9.3m; and
- the dividend paid to shareholders of £6.3m.

There was also further offset from an increase of £18.2m in the investment by the company in its own shares.

Strategic report

This increase is the net effect of the Mott MacDonald Employee Trust buying shares from employees when they leave the Group, as required by the company's Articles of Association, and selling shares to employees.

In 2025, the Employee Trust did not sell shares to employees in its usual annual share offer in July. This is because the timing of that annual share offer was moved from 1 July 2025 to 1 January 2026. The intention going forward is to keep that annual share offer on 1 January each year.

Going concern

The directors have a reasonable expectation that the Group and company have adequate resources to continue in operational existence for the foreseeable future. Details of the basis for this are outlined in the basis of preparation section on page 56.

Tax governance

The Group's policy is to comply with all domestic and international laws, rules and regulations, including those relating to taxation.

The Group is also committed to conducting its tax affairs in a manner which is consistent with Our Code.

The Group's tax policies and procedures are overseen by the Group Finance Director and monitored and reviewed regularly by the Group Head of Tax to ensure they are always aligned with the latest tax legislation both in the UK and in the other locations outside of the UK in which we operate.

Relationships with taxing authorities

The Group seeks to make timely and accurate disclosures to HMRC and other tax authorities.

The Group's policy is to avoid aggressive interpretation of the relevant tax laws and to reduce the risk of uncertainty. We will discuss openly with tax authorities any position adopted where its interpretation may be challenged.

The Group is committed to resolving any disagreements with tax authorities in an open and constructive manner.

Approach to tax risk

The Group's structuring of its commercial arrangements is not driven by aggressive tax planning that seeks to gain an advantage that is not the intention of the legislation as it is written.

The structuring of the Group's affairs is done in a manner which supports the commercial needs of the business whilst remaining compliant with all relevant laws.

In situations where the tax treatment of a particular transaction/structuring is uncertain, the Group will seek to gain clarity or support for the position adopted, often working with local external advisers in this endeavour.

The Group's management of tax risk is supported by:

- publication and socialisation of a Tax Risk Management Framework which provides guidance to all employees of the Group on the low tolerance for tax risk, the role that each employee plays in mitigating tax risk and the escalation procedure for identified tax risks;
- a tax compliance controls testing programme in the UK, and other key jurisdictions within the Group, conducted by external independent advisers and in collaboration with the Group's internal auditors; and
- guidance and training provided to Group employees in relation to the corporate offences under the Criminal Finances Act 2017, as part of reasonable prevention procedures.

Strategic report

Ethical approach

The Group makes a valuable contribution to the tax revenues of governments in the numerous territories in which it operates. The Group's contribution extends significantly beyond corporation tax and the collection of substantial amounts of income tax and VAT and includes the payment of significant employer social security contributions. Further, the Group seeks to ensure that transactions between companies within the Group are conducted on an arm's-length basis in accordance with the most recent OECD guidelines.

The Group places great importance on having in place reasonable prevention measures to ensure its employees or other associated persons do not facilitate the evasion of tax under the corporate offences of the Criminal Finances Act 2017 or other relevant local legislation.

Other items

The effective tax rate for 2025 is 36.2%, which is 8.0% higher than the rate for 2024 (28.2%).

The main reasons for the increase compared with 2024 are prior year adjustments relating primarily to the US due to reductions in research and development relief agreed by the US tax authorities, and in 2025 we passed the minimum tax threshold in the US for entities with payments to foreign affiliates, resulting in an additional liability.

There are two key non-financial KPIs (key performance indicators) that we use to manage the business. Average annual sickness across the Group decreased from 39.2 to 35.6 hours per person. Voluntary staff turnover increased from 11.0% to 12.5%.

Managing risk and uncertainty

Risk is inherent in our business and we recognise that to deliver our business strategy, we must maintain a careful balance between risk and reward to create the outcomes and value that we seek.

Our risk management framework

The Group's Enterprise Risk Management (ERM) framework enables a consistent, agile and robust approach to the management of risk across the business. It is embedded in the culture, strategy and business planning processes to safeguard our staff and assets, protect and enhance our reputation, and improve our overall performance. The process filters out the material risks that require focused management, monitoring and oversight to enable them to be effectively managed within the risk appetites and tolerances of the Group.

Governance

The Executive Board, Risk Committees and Audit and Risk Assurance Sub-committee comprise the Group's governance framework to manage our risks.

The Executive Board holds overall accountability and responsibility for the Group's risk management. It delegates the oversight and day-to-day management of risk to the Risk Committee, which is responsible for the implementation of the risk management framework and for overseeing the effectiveness of the risk treatments applied across all regions and throughout the Group.

The regional risk committees report into the Risk Committee and are comprised of representatives from each of the regions. Quarterly reports on risks against risk appetite, emerging risks and the effectiveness of risk treatment plans are made by the regions to the Risk Committee. Emerging risks are identified and assessed on their proximity and degree of potential impact to the business.

Strategic report

Group principal risks

In recognition of the non-static nature of risks, the Risk Committee undertakes an annual comprehensive review of the material risks to the organisation. This review is informed by the regional risk committees' risk profiles, business intelligence, external factors and our assurance processes.

The Group completed its annual review of principal risks in 2025, making updates to both the identified risks and their management approaches. In July 2025, the Risk Committee defined six categories that include 21 principal risks, addressing both strategic and operational timeframes and managed at different levels throughout the organisation. These were subsequently developed and then adopted in November 2025 and will be monitored and reported upon in 2026.

The Group's risk treatment plans are regularly reviewed to ensure they reflect current actions and effective controls. These plans specify key controls, risk indicators and clear responsibilities for managing identified risks. They also serve as guidance documents outlining the nature of each risk, risk appetite, relevant metrics and accountability, and are integrated throughout the organisation via governance frameworks and the STEP process to ensure appropriate management of critical business risks.

The Group uses various reports and tools to support discussions with the Executive Board and Risk Committees. Strategic risks are reviewed and reported annually, while operational risks are monitored throughout the year and formally reported at each of the three risk committee meetings. The Group risk summary on page 95 presents the relative status of residual risks, monitored during 2025, after mitigation and highlights changes from the previous year.

Regional risk engagement

The Group's approach to risk management is modelled upon global standards and adopts The Three Lines Model.

The ERM team, led by the Chief Risk Officer, works closely with the first line – regions and their business units – to integrate risk management tools into commercial decision making and business planning. Regional risk frameworks containing tools and templates assist the regions in adopting standardised and consistent methodologies to assess and report their risks.

The second line – the risk management functions such as privacy and data protection, information security, ethics and compliance, and health, safety and wellbeing including all the Group enabling functions – work together to collaborate, align and develop policies and procedures to assist the regions and the Group to manage risks holistically.

The third line is a crucial piece of the risk management framework and is performed by the Group's internal auditors. The internal audit function provides assurance that the controls and treatments designed to manage the risks are as effective as intended. The audit programme comprises a blend of operational, IT and financial audits that are agreed annually using a risk-based approach and reported to the Risk Committee and Audit and Risk Assurance Sub-committee.

The responsibility for tracking the open items rests with the Business Management Systems (BMS) auditors and the internal audit team, while the responsibility for their remediation and closure remains with the business. Internal audit reports are presented to the Risk Committee and Audit and Risk Assurance Sub-committee three times a year, highlighting deficiencies discovered, reporting on recommendations and the effectiveness of risk mitigation measures across the Group.

Strategic report

S172 Companies Act 2006 – directors’ duties to promote the long-term success of the company

This statement sets out how the directors have satisfied the expectations of S172 Companies Act 2006. The narrative is consistent with the size and complexity of the business covering matters of strategic significance. The disclosures are set out as S172 expects of the directors in promoting the success of the company.

The directors pursue success through strategic thinking and decision making that put the long-term success of the company and its stakeholders above short-term expediency. The Shareholders’ Committee provides oversight of the directors following these principles.

The principles are focused on maintaining a strong and sustainable business for those who follow in the business after us. This needs to be evident in the company’s reputation, its standing with clients and stakeholders, and its financial strength.

The likely consequences of any decisions in the long term

In pursuing growth, the strategic thinking and decision making of the directors and management embrace a wider social purpose. We seek to embed this thinking and the principles of corporate responsibility in all aspects of business.

The Group’s strategy is delivered by the capabilities we have in our core markets, the technical excellence that underpins them, a focus on our clients’ needs and the focus we have on social purpose and corporate responsibility.

During 2025, the Executive Board held its normal series of separate executive meetings throughout the year, as a Board and with the senior members of the regional executive teams, to maintain focus on the strategic direction of the Group and the development of its overall and regional strategies. The outcome from this is that we continue to evolve our strategy to keep it relevant and responsive to strategic changes across our markets and the competitive landscapes we operate in. It ensures our strategy is agile and responds to our clients’ needs and their strategies, their markets and their plans for growth to evolve their businesses.

At the start of 2025, our core business markets were modified to align with the evolution of our strategic market focus: Buildings, Defence & Security, Energy, Environment & Society, Transport and Water. Our clients and services in these markets are of the utmost importance to the Group.

Throughout 2025, we have continued to review specific areas of selective focus with the outcome of building capabilities, creating resilience and exploiting opportunities to respond to where our incumbency gives us the best opportunity to win in the market.

Alongside this we have continued to pursue a select number of pathways for accelerated growth which supplement our strong market focus.

The outcome continues to be maintaining high investment in technical excellence and world-class technical leadership alongside more investment in applying our digital capabilities to projects and accelerating the responsible application of artificial intelligence (AI) across the business.

Strategic report

Employee ownership – securing our future together

In 2025, we took the important step of strengthening what makes us unique: our employee-ownership model. As an employee-owned business, our success has always depended on the engagement and shared commitment of our people.

The directors recognised that to deliver an outcome of long-term growth and independence, we needed to do more than offer a financial reward – we needed to reinforce a culture where every colleague feels respected, valued and invested in our future.

The refreshed approach to ownership was designed to make participation clearer and more inclusive so that everyone, regardless of role or location, has a transparent stake in the Group's success. We introduced an integrated reward system combining fixed pay, a personal performance bonus and a Group performance bonus.

Giving our employees a greater voice was also part of this initiative. To do that, we created new ways for colleagues to share ideas and shape decisions, from leadership engagement sessions and enhanced reporting, to a new voice sub-committee, which is in the process of being established, making sure this change reflected what matters most to our people.

Our new model has been well received and is delivering the intended outcome. Colleagues have told us they feel proud to belong to a company that invests in its people and values their voice in shaping the future. This sense of shared purpose is helping us attract and retain talent in a competitive market, deepen relationships with clients who value our independence and collaborative approach, and focus on delivering technical excellence.

By embedding these principles, we have reinforced the foundations of our business, keeping our people at the heart for generations to come. The strategy will continue to evolve, working with business leadership and all stakeholders to support our collective success.

Business relationships with suppliers, customers and others – technical excellence

Technical excellence remains integral to everything we do. In 2025, we embedded technical excellence even deeper into our culture, systems and ways of working.

This year, the Executive Board appointed a new Chief Technical Officer to revisit and evolve our technical strategy, support best practice and maintain Mott MacDonald's strong reputation for technical leadership.

Throughout 2025, our excellence programmes continued to equip our people with the knowledge, tools and support they need to thrive in a fast-evolving technical landscape. Guided by our Global Practice Leaders, our practices connected expertise across our regions, enabling consistent high standards and driving continuous improvement – resulting in exceptional outcomes for our clients.

During the year, our Knowledge team made an important shift in how technical expertise is managed. Combining the skills of expert curators with advanced technologies, they streamlined the discovery of technical knowledge – making it quicker, smarter and more accessible, which in turn drives efficiency, collaboration and innovation across all disciplines.

Our Chief Executive announced a third cohort of Mott MacDonald Fellows. Champions of technical excellence, our Fellows' world-class expertise and thought leadership not only influences the direction of our business but also plays a major role in ensuring we remain at the forefront of innovation.

We believe that our unwavering dedication to technical excellence sets us apart in the industry, delivering an outcome that reinforces our reputation for delivering high-quality innovative solutions to complex global challenges, while adding value for our clients and the communities they serve.

Strategic report

Impact of the company's operations on the community and environment – climate

The corporate responsibility and climate disclosures sections on pages 3 to 12 set out our governance, strategy and performance reporting metrics. The outcomes being delivered are to lead with commitment and deliver with impact to ensure we have effective systems and controls, maintain best practice, and meet the expectations of internal and external stakeholders. Priorities and initiatives are set out below.

The Group has embedded sustainability as a core element of its governance and operating model. Our Group Sustainability Strategy sets clear priorities across climate, environment and social responsibility for our operations; supported and delivered by our regional leads reflecting local factors and circumstances. This framework strengthens oversight and accountability, ensuring sustainability considerations are integrated into decision making and client delivery.

During the year, we advanced several initiatives to improve controls and operational efficiency. These include the enhancements to carbon and environmental governance requirements and guidance through updated management systems, evidenced through our annual ISO 14001 and 14064 audits. Regional board reporting on carbon and engagement at the executive level has been established, driving carbon reduction behaviours and ensuring consistent oversight. We have continued to optimise and automate our carbon footprint solution to improve data quality; supporting compliance and informed decision making.

Our sustainability initiatives are cross cutting, bringing together our travel, procurement, premises and finance teams to embed sustainability across the business. Carbon reduction measures, including continued procurement of renewable energy in our offices, use of hydrotreated vegetable oil on our construction sites and strengthened international travel approvals, have helped reduce our emissions in the near term, with further improvements planned. Modern slavery statements have also been benchmarked and updated to maintain best practice.

Looking ahead, we are committed to transparent reporting, with our first dedicated Climate Transition Plan and Sustainability Report planned for publication. We are focused on delivering against our science-based targets, expanding our supplier engagement, embedding our supplier code of conduct and evolving our approach to corporate social responsibility. These actions, alongside improvements in data, governance and training, position the Group to meet evolving stakeholder expectations and regulatory requirements while enhancing client confidence and operational resilience.

Acting in the best interests of employees – creating a safe space – wellbeing and mental health

During 2025, we focused on better understanding the key risks to our employees and to our business in terms of health, safety and wellbeing. We produced a risk appetite statement categorising the activities and services, which are undertaken globally as part of our project delivery to clients. This assessment is divided into three categories:

- those which are firmly within appetite and are well controlled;
- those which are within our risk tolerance but require significant control; and
- those which are considered outside our risk appetite.

This exercise has resulted in greater clarity and consistency in how we approach and manage health and safety risks globally. We are now reviewing our existing controls to be confident in an outcome where risks are being eliminated, reduced and managed in line with our expected standards.

The results of this exercise have been shared with the Executive Board and regional boards, and the output is being used as part of a health, safety and wellbeing strategy refresh for 2026, involving the global health, safety and wellbeing team, as well as senior sponsors.

Strategic report

2025 has also been a year in which we have reviewed the direction and scope of our wellbeing programme. An external assessment of our cultural wellbeing maturity was undertaken, assessing the maturity of our wellbeing offering in each region. The results have been very positive, showing that although we have different levels of maturity across the regions, we have key strengths around advocacy, communication and leadership for wellbeing.

The second stage of the review will continue into 2026 and is focused on delivering an outcome of a wellbeing framework that enables a more consistent approach focused on our key work-related wellbeing risks.

Maintaining a progressive business with a high level of governance

During 2025, the Chief Governance Officer (CGO) in conjunction with the Group Heads of Internal Audit, Controls and Health and Safety have continued to evolve the effectiveness of our business infrastructure, specifically the need to remain abreast of statutory requirements, good business practice and a business architecture able to deliver our strategic objectives.

The initiatives undertaken through the year have continued to enhance our functional capabilities in internal audit, resilience and business controls, and health and safety, through focusing and streamlining of our systems and processes to deliver greater understanding and more effective and efficient action. This is being achieved through multi-year projects across the information security, data management, client centricity and enterprise-wide productivity domains.

We recognise that governance is an essential foundation for the future success of our business. The Executive Board, Risk Committee, Shareholders' Committee, and Audit and Risk Assurance Sub-committee consider the performance and appropriateness of our governance approach, and strategic evolution, periodically throughout the year.

Maintaining a reputation for high standards of business conduct

The Executive Board is committed to promoting the highest standards of ethical behaviour through its Ethics and Compliance programme. This delivers an outcome of the Group meeting regulatory requirements and stakeholder expectations in relation to management of our ethics and compliance risks. The key aspects of delivery are set out below.

In preparation for the introduction of the new Failure to Prevent Fraud offence, which came into effect during the year, the Group conducted fraud risk workshops with key personnel to identify fraud risk scenarios. A fraud risk register has now been developed to track our exposure to this risk alongside associated controls and mitigation plans to reduce it. The outcome from this will be an updated training module on ethics, including guidance on managing ethics around fraud, bribery, competition, conflicts of interest, and gifts and hospitality, that will be introduced for all Mott MacDonald employees. Our compliance efforts have been built around the reasonable procedures of risk assessment, proportionate procedures, top level commitment, due diligence, training and monitoring.

A key focus area for the Ethics and Compliance programme continues to be the management of political engagement, particularly in those jurisdictions with disclosure obligations. Enhancements have been made to our oversight of political engagement to manage compliance with applicable laws and regulations, and satisfy our reporting obligations.

We continue to enhance our existing policies and automated processes in areas such as due diligence, disclosure reporting and whistleblowing. Looking to the future, we are exploring what AI can contribute to our day-to-day work and what safeguards we need in place for that to align with our values and professional ethics, and comply with applicable laws and regulations.

Strategic report

The Executive Board continues to monitor and guide the Ethics and Compliance programme through regular meetings between the Ethics and Compliance Steering Group and the Group Ethics and Compliance Officer. The Board's role is vital to delivering an outcome of the highest standards of ethical conduct we expect from all who work for, and on behalf of, Mott MacDonald.

Business relationships with suppliers, customers and others – artificial intelligence

The corporate governance report on pages 36 to 38 sets out the directors' approach to regular engagement with our stakeholders that is supportive of informed decision making.

Use of digital and AI in developing and shaping how we work with clients, partners and stakeholders remains central to delivering strategy and creating long-term value. Innovation, productivity and governance underpin our approach as we continue to evolve our digital operating model.

In 2025, we embarked upon an accelerated digital transformation, embedding AI and advanced tools across our business services, project delivery and client engagement, together with forging deeper relationships with our key technology suppliers.

We designed and launched EMMA (Every Mott MacDonald Answer), our generative AI assistant, to deliver an outcome of streamlining knowledge sharing, automating routine tasks and providing immediate access to best practice and technical expertise. In parallel, we have empowered more than 3,000 colleagues as citizen developers through our secure digital workspaces platform, integrating guardrails for security, quality and responsible AI into the software development lifecycle.

To enhance client experience, we have introduced an AI-powered CRM (Customer Relationship Management) system, first deployed in North America, to achieve a new benchmark for global client engagement, providing integrated data, real-time insights and a consistent experience for clients worldwide, together with running TechConnect interactive client sessions that bring together our experts to tackle client challenges, showcase innovative solutions and demonstrate how digital tools deliver real value.

To enhance our project delivery, we have introduced a Digital Value Planning framework across major projects to systematically identify and deliver high-impact digital solutions, driving measurable improvements in efficiency, quality and commercial competitiveness.

AI is now embedded in project delivery solutions, including stakeholder management tools that process thousands of consultation responses in minutes and a chat-enabled carbon management tool, making low-carbon design optimisation accessible across our workforce.

These initiatives are supported by governance policies for responsible AI, ensuring data integrity and compliance while enabling innovation at scale. Through these actions, we have successfully delivered an outcome that is strengthening our competitive position, creating opportunities to co-innovate with clients and partners, and shaping the future of the built environment.

Maintaining a progressive business with an effective risk management strategy and risk management programme

In 2025, the Executive Board continued its commitment to an Enterprise Risk Management (ERM) programme founded on a clear maturity journey aligned to the ISO 31000 maturity model. Over the past four years, we have progressed to Level 3 – Repeatable, characterised by standardisation and consistency, and are now advancing towards Level 4 – Managed, where proactive risk management is fully integrated into strategy and operations.

This year, we enhanced the review of principal risks by introducing a two-tier structure:

- Strategic risks, aligned to long-term objectives and overseen at the Executive Board level; and
- Operational risks, managed within business units and regions for greater accountability.

Strategic report

Strategic alignment and risk appetite

The risk appetite framework was revised to correspond with the organisation's strategic objectives and growth pathways. This change is aimed at ensuring that the approach to risk aligns with the stated goals of the strategy.

Defined risk appetites for the business portfolio were established and integrated into the business planning process; helping to align growth strategies with acceptable risk thresholds. This approach offers a structured method for assessing growth plans in relation to risk appetite, supporting the alignment between risk tolerance and strategic objectives.

Risk awareness and capability building

To embed a risk culture, we convened a Risk Forum led by the Strategy Director and Chief Risk Officer, bringing together Unit General Managers and Regional Risk Committee Chairs. The forum focused on upskilling, sharing best practice and embedding risk thinking into decision making. Additionally, we introduced risk maturity assessments for each Risk Committee, enabling tailored plans to accelerate progress towards Level 4 maturity.

Technology enablement and proactive monitoring

This year, we advanced our risk management capability through two complementary technology platforms:

- Risk Management Software Platform – This system simplifies the risk assessment process, centralises and aggregates risk data, and enables improved analysis and reporting. By consolidating information across the Group, it provides a single source of truth for risk evaluation and supports consistent, standardised practices aligned with our maturity objectives; and
- Key Risk Indicator (KRI) Dashboard – A separate platform designed internally by our Global Delivery Services (GDS) to capture risk metrics for principal risks and monitor their status against defined risk appetites. The dashboard provides up-to-date visibility across regions and business units, enabling proactive intervention before exposures escalate and supporting resource optimisation. This innovation operationalises risk appetites and strengthens strategic decision making.

Our KRI dashboard has been shortlisted for four prestigious CIR Risk Management Awards, recognising the innovative use of technology to enhance risk management and oversight.

Preparedness and recovery – strengthening business continuity

Complementing proactive risk management, we strengthened our Business Continuity Programme – a critical component of resilience. Disruptions are increasingly variable and unpredictable, stretching traditional response models.

In 2025, we:

- initiated an annual schedule of cyber response exercises to improve preparedness among response teams;
- implemented a mass crisis notification system called MM Alerts that can be deployed in the event of a significant incident; and
- developed capability from the Group Executive level to operational teams, supporting readiness for critical events.

This dual approach – ERM for proactive detection and management, and Business Continuity for preparedness and recovery – provides the organisation with the tools and mechanisms to respond effectively to severe disruptions, safeguarding stakeholders and supporting long-term viability.

Forward-looking priorities for 2026

Looking ahead to 2026, the work plan in place and priorities to progress will strengthen governance, enhance resilience and ensure compliance with evolving regulatory expectations.

Strategic report

Looking forward

Geopolitical pressures and economic weakness reduced infrastructure investment and organic growth across our markets in 2025. The Group has performed well to compete and win work, and the directors are pleased with the excellent results achieved given the challenging market conditions.

We ended the year with a strong balance sheet, a healthy cash position and an order book that provides a good picture of our opportunities and challenges for workload in 2026.

The outlook for 2026 continues to look challenging, given the lead indicators for the markets we operate in. Geopolitical pressures look likely to continue, leading to a continuing need for agility and astute commercial judgement in growing the business.

We are confident that we can grow the business in 2026, helped by improved volumes and a focus on productivity and efficiency. At this stage, we see any growth as being foundational for improved trading in 2027.

We remain optimistic with the opportunities that digital, AI, energy and defence will bring to our business, and confident in our ability to compete and win work.


We have a strong business, a strong balance sheet and confidence in the longer-term prospects and opportunities for the business.

In the immediate future, we have the right strategy, the right focus and the right people to continue to take the business forward.

Approved by the Board of Directors and signed on its behalf by:



James Harris, Group Chief Executive and Chair
27 March 2026



Ed Roud, Group Finance Director
27 March 2026

Corporate governance report

Executive Board and committees

The Executive Board and its committees

Executive Board

The Executive Board is responsible for establishing the company's purpose, values and strategy, promoting its culture, and overseeing its conduct and affairs to create sustainable value. It makes decisions on a joint basis and has collective responsibility for its remit and objectives. All directors have equal status and accountability to deliver the strategy, achieve an acceptable operating performance and execute the Executive Board's fiduciary duties. It meets regularly throughout the year.

Management – Its purpose is to oversee the day-to-day management of the Group, specifically the delivery of business plans and budgets, all aligned with the Group strategy and purpose. In doing so, it monitors and drives operational business performance, the performance of the supporting business functions and the adequacy of risk management processes. It is chaired by the Group's Managing Director and meets four times a year.

Technology – Its purpose is to provide strategic oversight and direction for AI, technology and innovation across the Group. In doing so, it approves and reviews major investments in AI, technology and digital initiatives, ensures risk management and compliance in such activities, and promotes best practices and continuous improvement in such capabilities. It is chaired by the Group's Development Director and meets four times a year.

Investment and Finance – Its purpose is to review and assess the adequacy of the financial structure, capital funding and liquidity of the business and the resilience of the Group's finances. It also assesses the carrying values of internal investments and the recoverability of internal loan balances. It is chaired by the Group's Finance Director and meets three times a year.

Risk – Its purpose is to monitor and assess the adequacy of risk management processes across the Group with a view to improving them, taking consideration of systems, policies and practices in the business and the development of regulation and best practice. It is chaired by the Group's Head of Global Delivery Services and meets three times a year.

The Shareholders' Committee and its sub-committees

Shareholders' Committee

The Shareholders' Committee represents the interests of current and future shareholders. It advises on key issues and approves significant decisions and actions of the Executive Board. It is responsible for oversight of the Executive Board. It is currently chaired by an independent committee member and meets at least four times a year, with directors and the Group General Counsel in attendance. It also meets in camera as necessary.

Audit and Risk Assurance – Its purpose is to review, assess and challenge the risk management processes, the control environment and the governance of the company. In doing so, it considers risk, systems and controls, data security and fraud, and the effectiveness of internal and external audit. It also considers business improvement, business conduct and ethics. It is chaired by a member of the Shareholders' Committee and meets three times a year. It also meets in camera as necessary.

Nominations – Its purpose is to approve appointments to the Executive Board and the Shareholders' Committee, as well as other senior appointments and promotions in its remit. Its broader remit is to ensure that its decision making enables succession planning, and retention and development of key people for long-term career progression. It is chaired by a member of the Shareholders' Committee and meets twice a year.

Corporate governance report

Remuneration and Equity – Its purpose is to endorse decisions from the Executive Board on remuneration and equity. These are endorsements for annual pay awards, bonus schemes, share allocations and dividends, as well as material changes to the principles and policies around such matters. It is chaired by an independent member of the Shareholders' Committee and meets up to four times a year.

The membership of the Executive Board and its committees is on the back inside cover of the financial statements.

Governance

The Executive Board has formally adopted a corporate governance framework for large private companies, appropriate for the size and purpose of the company. The Wates Principles are voluntary principles for large private companies that demonstrate an 'apply and explain' approach over six pillars of corporate governance:

1. Purpose and leadership
2. Board composition
3. Director responsibilities
4. Opportunity and risk
5. Remuneration
6. Stakeholder relationships and engagement

These corporate governance arrangements were adopted with effect from January 2019; embracing our existing governance framework, which had already contained or addressed many of the principles and themes set out in the Wates Principles. The arrangements are considered annually and updated as necessary as part of our normal review of procedures and processes and in considering our control environment and governance framework.

Principle 1 – Purpose and leadership

An effective board develops and promotes the purpose of the company and ensures that its values, strategy and culture align with that purpose.

We are one of the world's largest employee-owned companies. Belonging only to the colleagues who work for us, we have a shared purpose – to contribute positively to society through our projects, focusing on technical excellence and digital innovation to transform our clients' businesses, our communities and employee opportunities.

Our employee-ownership allows us to put the long-term interests of clients, employees, external stakeholders and employee shareholders above short-term expediency.

It also means that we are firmly guided by our purpose and our values. This enables us to keep taking the right decisions, for the right reasons. Our values of **Progress, Respect, Integrity, Drive** and **Excellence (PRIDE)** guide our behaviours, shape our culture, and inform our relationships with our clients, our stakeholders and each other. They are the platform from which we deliver our purpose and underpin our employee-ownership model.

Our Code (Delivering with PRIDE) sets out our standards and expectations on the issues that matter to us including respecting our people, conducting our business with integrity, protecting our assets and reputation, and delivering value to society. Our Code explains a number of individual responsibilities for each of us, such as doing our best for each other, our clients, communities and society. It also includes some additional expectations of leaders and managers including being positive role models for Our Code and PRIDE values.

Corporate governance report

We put into practice our values and demonstrate leadership through our actions and behaviours. These, together with health and safety and wellbeing, are embedded in how we conduct ourselves in running and managing the business and how we value our employees.

The reputation and future success of our business are built on integrity and trust. We provide training on ethical and compliance behaviour to all staff and enhanced training for staff most at risk of encountering ethical issues. Employees are encouraged to report any behaviours that are not in line with our values through their HR representatives, management or through our independent whistleblowing hotline. These are all investigated and then acted on where necessary.

We seek feedback from staff through a biennial survey which allows our leadership to monitor trends, gauge how well policies are being implemented and collect employee views. We put in place action plans to address common issues.

We seek feedback from our clients and wider stakeholders on our impact, behaviours and effectiveness. We have various forms of interactive communication channels and thought leadership to share ideas and opinions, promote knowledge and innovation, focus on social outcomes in our project delivery, and promote technical and professional excellence.

Principle 2 – Board composition

Effective board composition requires an effective chair and a balance of skills, backgrounds, experience and knowledge, with individual directors having sufficient capacity to make a valuable contribution. The size of the board should be guided by the scale and complexity of the company.

Board composition in 2025

The Executive Board comprised of:

James Harris – Group Chief Executive & Chair

Cathy Travers – Group Managing Director

Ian Galbraith – Group Strategy Director (resigned 30 September 2025)

Ed Roud – Group Finance Director

David Johnson – Group Development Director

Richard Risdon – General Manager of the UK and European Consulting Business / Group Strategy Director from 1 October 2025

Having been with the business for just over 20 years and having come to the end of his eight-year tenure on the Executive Board as a director, Ian retired at the end of September. He made a significant contribution in various parts of the business throughout his career and in his role as Group Strategy Director.

The directors have a broad range of skills and experience with differential as well as complementary skill sets. The blend of skills is a key feature in determining the Executive Board's effectiveness. Biographies can be found on the company's website (mottmac.com).

Appointments to the Executive Board follow a formal process. The Executive Board decides what components of the process to use, given the appointment. Applicants can be required to prepare a written submission, attend interviews, make presentations and respond to a formal set of questions.

The process also involves a scoring assessment of applicants' attributes and skills, based on their knowledge, skills and experience, using criteria that are reviewed from time to time to reflect changes in the external business environment and changes in the needs of the Executive Board.

The Executive Board's final decision on an appointment is then ratified by the Shareholders' Committee.

Corporate governance report

Diversity

The Executive Board is committed to diversity and is taking steps to improve practices and processes across the Group. Significant progress on gender has already been made across the business up to senior management and leadership positions. Our approach is being developed to deliver a sustainable model for diversity of representation in key senior positions up to and including Executive Board and Shareholders' Committee level, the latter already having a broad range of nationalities, cultures and gender. At Shareholders' Committee level, seven out of 19 members are women and nine are based outside of the United Kingdom.

The Executive Board is diverse in terms of knowledge, skills, experience and age. One of the six Executive Board members during 2025 is a woman. We recognise the Executive Board's lack of racial diversity. Changes in our own corporate culture, as well as in the wider industry, are slowly improving the retention and career progression of a more diverse workforce. The Group Board recognises its role in improving opportunities and outcomes for all staff within Mott MacDonald, and in leading change in the markets within which it operates.

Board composition in 2026

The Executive Board now has six directors again following the appointment of Paul Bentley in January 2026. Paul will retain his role as General Manager of the UK Contracting Business as well as being a Group Executive Board director. The roles of the other directors are unchanged from the end of 2025.

Principle 3 – Director responsibilities

The board and individual directors should have a clear understanding of their accountability and responsibilities. The board's policies and procedures should support effective decision making and independent challenge.

Accountability and effective decision making

The Group Chief Executive is responsible for leading the Executive Board, ensuring that it discharges its duties efficiently and that it delivers the strategy agreed by the Executive Board. The Group Managing Director is responsible for directing and controlling operations, managing the day-to-day business, and ensuring it is aligned to the strategy. This distinction in the respective roles of the Group Chief Executive (strategy) and Group Managing Director (business operations) is key to governance and accountability.

Significant decisions are generally made by reaching a consensus of the Executive Board. Some decisions require the approval of the Shareholders' Committee, as documented in the company's Articles of Association. There is a protocol for voting at board meetings and by the Shareholders' Committee, where voting is required on matters of strategic importance.

Information and advice

The Executive Board and its committees are provided with information in a timely manner on matters that are to be considered at board and committee meetings. Directors have access to the advice of the Group General Counsel who, in his capacity as Company Secretary, is responsible for advising the Executive Board on all governance matters and ensuring that board procedures are complied with. Directors can seek independent advice on the performance of their duties if necessary.

The Executive Board also receives assurances from various in-house technical specialists that the company's financial reporting, risk management, governance and internal control processes, including policies mandating procedural requirements and standards, are operating effectively. It is the Executive Board's responsibility to make sure that this assurance is delivered and that the means to deliver it is adequately resourced and effectively managed.

Corporate governance report

Discharging responsibilities

The directors delegate day-to-day management and decision making to senior management. However, delegation is subject to financial limits and other restrictions, above which, matters must be referred to the Executive Board. The directors maintain oversight of performance and ensure that management acts in line with the strategy and plans agreed by the Executive Board and its delegated authorities.

Policies and processes embrace the Group's operating practices. Managers have the authority to make decisions and that authority is delegated as far as is practicable but with clear accountabilities. Some matters involving risk are escalated in accordance with clear guidelines on evaluation and authority to approve.

The Group operates a business management system, STEP, that sets out the policies and procedures of the Group and the decision-making and authority framework. This determines our levels of delegated authority and operated workflows.

Committees of the Executive Board

The Executive Board delegates responsibilities and activities to its committees to support the Executive Board in meeting its responsibilities effectively, efficiently and on a timely basis.

The purpose of each committee is explained on page 27, showing how they support the Executive Board to meet its responsibilities.

The terms of reference and composition of each committee are reviewed annually, agreed by the Executive Board and ratified by the Shareholders' Committee.

The committees monitor and report to the Executive Board on their remits, making recommendations on policies, strategies and initiatives, with the Executive Board retaining ultimate responsibility for any decisions made.

The Shareholders' Committee

The Shareholders' Committee is responsible for reviewing reports from the Executive Board and contributing to discussion on strategic or operational matters to improve management of the business. It reviews and approves recommendations made by its sub-committees and by the Executive Board when such approvals are required.

It consists mainly of senior employee shareholders selected with the aim of providing a balanced representation from different parts of the global business. It also typically includes one or two independent members whose role is to enhance discussion and decision making and is currently chaired by one of these independent members. Executive Board directors are not members of the Shareholders' Committee or its sub-committees. They attend meetings to explain principles, deliver information and provide context to discussion.

The Shareholders' Committee delegates responsibilities and activities to its sub-committees, which support the Shareholders' Committee in meeting its agenda effectively, efficiently and on a timely basis. The purpose of each sub-committee is set out on pages 27 and 28, showing how they support the Shareholders' Committee to meet its responsibilities.

The terms of reference and composition of each sub-committee are reviewed annually and agreed by the Executive Board and the Shareholders' Committee.

Corporate governance report

Principle 4 – Opportunity and risk

The board should promote the long-term sustainable success of the company by identifying opportunities to create and preserve value and by establishing oversight to identify and mitigate risks.

Opportunity and value

The Group creates value through creating and developing information for our clients, our approach to which is maintained in our business management system. During 2025, our technical practices that support the creation and development of information have been enhanced through the introduction of the Chief Technical Officer role, that promulgates our best practice approaches into client delivery. The information we develop takes many forms but typically we generate reports, models and designs, together with supporting clients by managing programmes of work and providing assurance with respect to the work of others.

The Group chooses the markets we seek to work in through selective focus and where we assess we can build long-term value, focusing on clients that offer sustained addressable opportunity in our chosen markets. Client account directors have oversight of clients' development plans and empowerment to maintain high levels of client satisfaction through our services.

The Executive Board is responsible for determining the nature and extent of the risk appetite that the Group is willing to take, together with ensuring that risks are managed effectively.

Managing business risks

Business risk is considered and managed through a comprehensive approach maintained in our business management system. Where business risks are material, they are treated by an individual risk treatment plan, which consists of a three lines of defence model as noted on page 19. The Group's principal risk themes are noted on page 95.

Executive Board, committees, compliance, audit and business continuity

The Executive Board considers business risks together with risks related to health, safety, wellbeing and ethics at each board meeting.

The Executive Board is supported by the following:

Risk Committee

This provides the Executive Board with clarity of high-risk exposure such that there is appropriate visibility of the nature and levels of risk treatment that are in place or that need to be put in place. The committee recommends the target level of maturity for our enterprise risk management processes and ensures that treating risk is clearly defined, the committee assesses the adequacy of risk treatment processes at project, operating business and Group level, and ensures risk registers are used effectively in the running of the business.

The committee appoints a Regional Risk Sub-committee, chaired by the Chief Risk Officer, to bring regional representation to bear on this agenda and to facilitate the cascade of risk treatment processes into the operational business.

Audit and Risk Assurance Sub-committee

This sub-committee provides assurance that the Group has appropriate policies, procedures, controls and systems in place governing operations, finance, risk, ethics and compliance, and that such governance policies, procedures, controls and systems are compliant with applicable covenants, regulations and laws.

The sub-committee reviews evidence that those governance policies, procedures, controls and systems are being implemented by appropriately qualified and experienced parties (including where independence is required) and that any findings reported are being appropriately acted upon.

Corporate governance report

The sub-committee meets tri-annually to consider our material exposure, and receive and consider risk reporting from the Chief Risk Officer.

Compliance function

The Group Senior Ethics and Compliance Officer, a direct report of the Group General Counsel to the Group Chief Executive, has oversight of investigations into alleged breaches of our code of conduct and any significant process failure.

The ethics and compliance capability allows the Group to manage ethical and legal compliance risks in accordance with our anti-bribery management system certified to ISO 37001. This includes processes to declare gifts, hospitality and conflicts of interest, ethics training for all senior managers, counterparty due diligence, screening, confidential whistleblowing line and case management system. Investigation cases are substantiated, actions are agreed, any corrective measures needed and process improvements required are implemented, with any lessons learned disseminated.

Internal audit function

Our internal audit approach continues to be enhanced utilising both internal and external capability providing assurance relating to quality and controls adherence across our financial, non-financial, cyber/IT, ISO accreditation, and health & safety (H&S) to the Executive Board, Risk Committee, and Audit and Risk Assurance Sub-committee. It provides assurance that our internal control environment is operating effectively, improvement actions are being undertaken appropriately and that we are managing and mitigating the risks to Mott MacDonald.

Our internal audit landscape contains four components: internal audit services (financial, non-financial, cyber/IT audits) undertaken by a combined internal and external team, ISO certification (undertaken by an external provider), internal controls environment auditing of our Business Management Systems (BMS), H&S and compliance audits (both delivered in-house).

Business continuity function

Our business continuity and resilience approach develops, maintains and enables the operation of a Group Resilience Framework. The Group Resilience Framework is a series of integrated approaches and plans that are in place to manage a disruptive occurrence such that: impact is reduced; business continuity is maintained to an acceptable level; together with business recovery being achieved within an acceptable timeframe. Our approach to business continuity is enhanced through a programme of improvements which are undertaken across the cyber, office and communications areas.

Risk function

Enterprise risk management

Our risk management function develops, maintains and enables the operation of our Group risk framework, more fully described on pages 18 and 19.

Project risk before entering contracts

Managing project risk starts at the work-winning stage. Achieving the appropriate balance between risk and opportunity is firstly assessed at the initiation of a client relationship stage; secondly at the decision to pursue a potential client prospect; and finally at the point of a decision to submit a client proposal for a specific opportunity. These judgements are based upon assessments by client directors, who build a good understanding of clients' business plans, culture and likely fit with our own risk appetite.

Each client prospect is assessed for its complexity to identify the level of control that is required for project delivery and the required competence of the project leadership team. This determines the right mix of capability needed in the team to support the project manager and project principal. For more complex projects, the project principal is supported by an oversight board.

Corporate governance report

The Group identifies attributes related to material technical and commercial risks for which formal approvals are required to accept the risks before a tender can be submitted.

Project risk during delivery

Project risk is managed through our risk process contained in our BMS which are ISO 9001:2015 compliant. The systems define our approach to project delivery and are mandated for all projects. Our BMS are compliant with ISO standards for H&S, the environment, anti-bribery management, risk, information security and collaborative working.

Our enterprise resource planning systems and associated risk tools support improved risk management, providing an integrated risk register for each project. The risk register is live during delivery, giving improved visibility of current risks and enabling improved project management.

Monthly project control meetings together with annual project reviews are carried out by the project teams. They monitor risk and uncertainty and update the risk register, project budget and project delivery plan as required.

Performance is monitored at management levels through exception reports, which identify anomalies that need to be investigated, evaluated and followed up.

Supply chain risk

Due diligence is undertaken on our supply chain before contracting with them. Where material risks related to technical competence, business ethics, modern slavery, sanctions, export controls, environmental, social or safeguarding are identified, further work is carried out to seek to ensure that the association with the supplier will not damage our reputation.

Principle 5 – Remuneration

The board should promote executive remuneration structures aligned to the long-term sustainable success of the company, taking into account pay and conditions elsewhere in the company.

Consistency and control

We operate a consistent and equitable approach to remuneration, which is aligned to our values as an employee-owned organisation. In 2025, we announced enhancements in our employee-ownership model to further embed a culture of shared success and long-term value creation. These changes reflect our commitment to ensuring that reward structures support sustainable business performance and are inclusive of all colleagues.

Key changes have included:

- a greater connection between individual performance and reward outcomes;
- a refreshed personal performance bonus scheme;
- a revised Group performance bonus scheme; and
- a simplified and standardised share offer process for eligible grades across the Group.

Our improved remuneration framework will apply consistency across the Group, with central oversight and governance provided by our Group Reward function. Regions will continue to manage and operate the framework locally with central advice.

Approvals for the annual pay review, bonus proposals and share scheme sit with the Executive Board. The Remuneration and Equity Sub-committee, which reports to the Shareholders' Committee, reviews and endorses Executive Board decisions on remuneration. The 2025 enhancements to the employee-ownership model were developed in consultation with this governance structure to ensure alignment with our values and long-term strategy.

Corporate governance report

We continue to benchmark pay elements to ensure competitiveness and mitigate retention risks. The 2025 ownership enhancements further support retention by providing employees with a clearer path to share ownership in a fair and transparent manner. The changes also ensure we can provide attractive and competitive offerings for new recruits.

The Executive Board will continue to regularly review remuneration incentive plans to ensure they remain fit for purpose.

Remuneration and Equity Sub-committee

The Remuneration and Equity Sub-committee endorses Executive Board decisions on remuneration and equity, including:

- percentage pay review amounts;
- the size and allocation of the discretionary bonus pool for employees;
- compensation proposals for the directors of the Executive Board;
- annual share allocation for purchase by employees;
- annual share offers for purchase by the executive directors of the company where applicable; and
- any dividends.

Decisions are based on individual and Group performance. Performance is defined with agreed goals and targets, and measured via metrics such as revenue growth, profit growth, profitability, working capital, ethics and collaboration, as well as the development and demonstration of professional and technical excellence. Individual performance is reviewed via our performance review process called 'Connected Conversations'.

Directors and independent members

The sub-committee reviews the remuneration of executive directors, as well as any offer of shares for them to purchase, within set limits as advised by Group Reward. This provides an effective control over their remuneration and equity holding, ensuring a measured and justified value proposition. Their remuneration and share allocation are based on the same performance principles as those used for staff.

The sub-committee also reviews and appraises the Executive Board's current policies and mechanisms for reward and endorses decisions by the Executive Board to change them for the better interests of the Group, its employees and stakeholders.

Independent members are remunerated for the services they perform. In line with recommended practice, an important pillar of corporate governance is that they are not given the opportunity to buy shares. This helps to ensure that they are independent and objective.

Equality, diversity and inclusion (EDI)

We support the principles of equality and inclusion in remuneration, actively adhering to legislation that promotes pay equity and pay gap reporting, to ensure our people are paid equally for doing the same jobs across relevant locations.

We recognise the need to address any inequality or gaps in pay and are resolute in doing so. The enhancements to the employee-ownership model further progress our ambition to support EDI.

Our ambition is to create a diverse and inclusive workplace and culture, and to attract and retain a wide diversity of talent across the Group. We also provide support and counsel to our leaders and managers so they can support EDI via our regional EDI managers who possess regional EDI subject-matter expertise.

Corporate governance report

Principle 6 – Stakeholder relationships and engagement

Directors should foster effective stakeholder relationships aligned to the company’s purpose. The board is responsible for overseeing meaningful engagement with stakeholders, including the workforce, and having regard to their views when taking decisions.

Regular engagement with stakeholders ensures that our strategy, plans and initiatives continue to work in the best interests of the Group and the clients, communities and individuals it serves.

With our employee shareholders

The Board maintains a structured engagement schedule with shareholders who, apart from the Employee Trust, are exclusively employees. We have no external shareholders or funding, ensuring our independence as a privately-owned company.

Engagement is designed to align shareholder and Group interests, share performance updates and inform strategic decisions, ensuring directors act in the best interests of the company, its shareholders and wider stakeholders. This includes the directors providing:

- quarterly and annual business and performance reviews;
- two shareholder meetings each year, covering results, strategy and major initiatives, including Q&A with the Executive Board; and
- regional forums for shareholders fostering dialogue, unity and performance improvement.

In 2025, shareholder engagement was further strengthened through the ownership model refresh. Almost all employees are now either bonus unit holders or shareholders, reinforcing our commitment to inclusive governance.

Going forward, this extended commitment includes:

- a new employee sub-committee, which is in the process of being established, representing diverse perspectives across grades and regions, working alongside the Shareholders’ Committee to inform governance;
- annual regional business updates with the Executive Board and regional leaders, offering transparency and direct engagement; and
- more frequent and detailed performance updates, enabling all employees to understand our direction and contribute to shared success.

These developments reinforce our commitment to strong, transparent relationships with our employee stakeholders and reflect our belief that ownership should be shaped by all and shared by all.

With our employees

The directors maintain regular engagement with employees not only to share the Group’s strategic direction and performance, but also to actively listen and gather feedback.

In 2025, this engagement was significantly enhanced through the global employee-ownership project.

Corporate governance report

This included:

- a global roadshow led by the Group Chief Executive and senior leaders, reaching colleagues across all regions. These in-person and virtual sessions provided clarity on the changes, created space for dialogue and reinforced the importance of shared ownership;
- webinars and Q&A sessions supporting transparency and understanding, with thousands of colleagues participating live or via recordings; and
- a dedicated information portal housing FAQs, explainer videos and updates; ensuring all colleagues had access to consistent and timely information.

This programme of engagement was designed to ensure every employee, regardless of grade or location, has a stake in our success and a voice in shaping our future. An expanded narrative covering details of employee engagement is set out in the directors' report on pages 41 and 42.

With our clients

Our approach to understanding and responding to the needs of our clients and their stakeholders is central to our business. In support of this, the directors and senior leadership across the business actively engage with our clients through a diverse programme, fostering productive and long-term relationships.

This includes but is not limited to:

- participation in client-facing activity such as visits to key business locations to meet clients and build an informed view of local markets, the local business and the quality of our brand;
- dedicated board sponsorship for the management of our most important clients; and
- a requirement for the issuance of client satisfaction questionnaires for individual clients so that their views on service provision can be incorporated into our learning and development plans.

With our partners

The directors maintain regular engagement with partners such as peers, suppliers, other market and industry bodies and academic institutions to discuss specific issues with them. This enables all parties to better understand common interests and differences to improve decision making on routine business matters and key issues to achieve better-quality outcomes.

This includes the directors:

- maintaining a portfolio of public engagement activity such as meeting with key government bodies, business networks, briefings and roundtables to help steer our business to help inform future strategy and our position on key issues;
- meeting with our key joint venture partners to ensure open and informative relationships are maintained;
- collaborating and jointly communicating with strategic partners on shared initiatives;
- meeting with larger suppliers on a regular basis to ensure that there is a fair value proposition for both parties while maintaining quality and rigour in our working arrangements;
- meeting with our relationship banks during the year to brief them on strategy, performance and relevant business matters;
- meeting with the advisers and trustees of our pension schemes to share updates on pension funding and to brief the trustees on the Group's performance and prospects; and
- participating in the activities of professional and academic institutions through governing and advisory boards, and staying in touch with subject-matter experts relevant to the activities of the business.

Corporate governance report

With wider stakeholders

The directors maintain regular engagement with wider stakeholders to enhance market focus and promote the company effectively. They do this through:

- external executive communications across areas that matter to our clients and to our business; and
- sponsorship of Mott MacDonald's brand and digital presence that communicates with clients, stakeholders and wider society.

Further specific examples of how the directors have engaged with employees, clients and wider stakeholders in the course of their duties, and having regard to this engagement and their views in making decisions to ensure the success of the company, are set out in the S172 statement in the strategic report on pages 20 to 25.

Approved by the Board of Directors and signed on its behalf by:



James Harris, Group Chief Executive and Chair
27 March 2026



Ed Roud, Group Finance Director
27 March 2026

Directors' report

The directors present their report, together with the audited financial statements of the Group and the company for the year ended 31 December 2025.

Registration

Mott MacDonald Group Limited is a private company registered in England and Wales, registered number 01110949.

Principal activities

Mott MacDonald is one of the world's leading engineering, management and development consultancies. Our core business markets are Buildings, Defence & Security, Energy, Environment & Society, Transport and Water. We are an independent employee-owned company engaged in public and private sector development worldwide.

We are committed to creating value and delivering tangible benefits for our customers, across a wide range of industries, which include national and local governments, healthcare and education institutions, transport operators, industrial and utility providers, developers and contractors, banks, commercial companies, funding agencies and non-governmental organisations.

Results and dividends

Profit attributable to shareholders before dividend is £68.8m (2024 – £88.6m).

An interim dividend of £6.3m (2024 – £6.3m) was paid to shareholders on 28 November 2025. The directors do not recommend the payment of a final dividend.

Acquisitions and disposals

There were no material acquisitions or disposals during 2025.

Directors and their interests

The directors of the company during the year ended 31 December 2025 and their interests in the share capital of the company were as follows:

	At 31 December 2025 or date of resignation	At 31 December 2024 or date of appointment
Directors	Ordinary shares	Ordinary shares
Ian Galbraith	90,000	90,000
James Harris	100,000	100,000
David Johnson	82,000	82,000
Ed Roud	100,000	100,000
Cathy Travers	80,000	80,000
Richard Risdon	31,250	31,250

Richard Risdon was appointed as a director on 1 January 2025. Ian Galbraith resigned as a director on 30 September 2025. All the remaining directors held office throughout the year. Paul Bentley was appointed as a director on 1 January 2026.

Directors' report

Directors' and officers' indemnity and liability insurance

The directors continue to have the benefit of an indemnity under the Articles of Association of the company to the extent permitted by law in respect of liability incurred as a result of their office with the company. The Group has purchased and maintained directors' and officers' liability insurance during the year which excludes dishonest or fraudulent acts or omissions.

Post balance sheet events

There are no post balance sheet events requiring disclosure.

Valuation of company's shares

The fair value of the company's shares increased by 74p per share from £14.88 to £15.62 at 31 December 2025. The fair value is based on the net assets of the company's statement of financial position at that date as set out by the company's articles. Having considered matters relevant to the company's share valuation that are set out in its articles, there is no intent by the directors to change the valuation of the shares to any other basis for the foreseeable future.

Future developments

The various markets of the company are likely to continue to be impacted by economic and geopolitical uncertainty, which has created a more unsettled business environment over the past few years. The main potential impact is likely to come from any implications for government funding for infrastructure programmes. Business activity levels continue to be sustained at present. Management continues to focus on lead indicators of business activity, such as business confidence, business prospects and the order book, to anticipate market trends and to be ready to respond to growth or contraction as it occurs.

Statement of corporate governance arrangements

The Board of Directors continues to endorse the Wates Principles; a corporate governance framework which it believes is the most appropriate for a large private company of our size and purpose. The Executive Board continues to report on the voluntary principles for large private companies that illustrate an 'apply and explain' approach over six core principles of corporate governance:

1. Purpose and leadership
2. Board composition
3. Director responsibilities
4. Opportunity and risk
5. Remuneration
6. Stakeholder relationships and engagement

The corporate governance report on pages 27 to 38 demonstrates how we have satisfied the requirements for governance under the Companies (Miscellaneous Reporting) Regulations 2018 throughout the year ended 31 December 2025.

For more information, please visit our website mottmac.com/en-gb/about-us/governance-and-policies/.

Employees

We ended the year with approximately 18,800 employees and a total workforce of around 19,400, including agency and contract workers.

Employment policies

The company actively encourages employees to play a part in developing the Group's business and in enhancing its performance. The Group recognises individual contributions through performance bonuses and annual awards.

Directors' report

We recognise exemplary work in responding to societal issues, by considering social outcomes and sustainability in everything we do, through our Environment and Society Award. We celebrate excellence through our Milne Innovation, Thought Leadership and Digitally Enabled Excellence Awards. The importance of great project management and global teamwork is celebrated by our Project Manager of the Year and One Mott MacDonald Awards respectively.

We recognise the achievements of colleagues who bring all of this to life for our clients through our Excellence in Client Engagement Award.

Equal opportunities

Group policy is to employ, develop and promote staff based solely on aptitude, ability and work ethic. As a result, our staff come from a wide diversity of backgrounds. The Group wishes to ensure that no discrimination occurs, either directly or indirectly, against individuals with a disability on the grounds of that disability in relation to recruitment, promotion, training, benefits, terms and conditions of employment, and dismissal. Wherever possible, reasonable adjustments will be made to either the workplace, workstation or working environment to help employees with disabilities.

We apply the same standards and protocols to other areas where discrimination may exist in the workplace and our current initiatives in equality, diversity and inclusion (EDI) are set out in the corporate responsibility statement on pages 3 and 4.

Engagement with employees

The directors deliver a structured programme of engagement with employees. The purpose is to ensure that they are informed of the Group's strategy and plans and are aware of its performance. They are engaged to share their views and ideas on initiatives, work practices, behaviours, the workplace and policies. This also extends to external themes relevant to the Group and its employees.

The aim of the engagement is to ensure that the directors listen to employees on matters which impact them and listen to their views, opinions and ideas in making decisions. This helps to ensure that they act in the best interests of the Group and promote its long-term success. It also aligns employees to that success and encourages them to contribute to it.

This includes the directors:

- enhancing the Group's reward model by introducing 'bonus units' for employees who are not shareholders to enable them to participate in the profit share;
- creating a mechanism for employees to benefit from the company's success by using bonus schemes to distribute profit to them based on performance and behaviours;
- using corporate emails or presentations to brief employees on important matters impacting the company and using their feedback to improve policy or decisions;
- briefing employees on other matters of importance that impact on them, their jobs, the company or society;
- issuing quarterly performance reports to employees setting out key metrics on financial performance to make them aware of how they can play their part in replicating success and improving performance;
- using the intranet or social media to access employee opinions on matters affecting them in the workplace and impacting their employment; the directors can use these views in decisions to improve the quality of the workplace or work practices;
- using the intranet or social media to make employees aware of significant operational matters and strategic plans to engage them to respond to the challenges;
- running 'town hall' sessions with employees in offices the directors visit, to give them an understanding of what is happening elsewhere in the business with an opportunity for Q&A sessions;
- running staff councils in local offices for management and staff to discuss issues in the Group or the workplace, with the aim that the company and employees can benefit from a better and more productive work environment;

Directors' report

- providing 'Speak Up' hotlines for anonymous reporting of concerns over ethical/behavioural matters, allowing the business to formally investigate any issues; and
- running staff engagement surveys, enabling the directors to understand and focus on matters needing change, development or improvement.

Statement of engagement with suppliers, customers and others in a business relationship with the company

Details of how the directors have engaged with employee shareholders, clients, partners and wider stakeholders are set out in the corporate governance report on pages 36 to 38.

Energy consumption and carbon information

The relevant information on energy and carbon is set out in the strategic report on pages 4 to 12.

Principal risks and uncertainties

Business risks and measures to mitigate these risks are described in the strategic report on pages 18 and 19, the corporate governance report on pages 32 to 34 and the Group risk summary on page 95.

The Group is exposed to liquidity risk, credit risk and exchange risk and has a variety of controls and processes in place to manage these risks to minimise financial loss. Key aspects are:

- investments – where viable, counterparties must meet a minimum credit rating of A-1 long term and P-1 short term;
- investment limits are assigned to counterparties based on their ratings and reviewed regularly;
- the Group does not undertake any speculative trades;
- transactional exchange rate risk – the net exposure would be hedged with foreign exchange forward contracts, where necessary, but only after using natural hedging;
- translational exchange rate risk – the company does not use hedging instruments;
- credit control procedures are carried out on prospective clients during the bidding period and for the duration of the contracts and longer-term relationships;
- working capital and cash flow targets are monitored and managed daily, with weekly and monthly reporting to the Executive Board; and
- mitigating controls are in place to prevent a credit downgrade or a material reduction of our bank facilities to avoid or minimise business disruption.

Any material transaction and translation exposure after matching is monitored by management with action taken as necessary. There is no material interest rate risk at the year end. Interest rate exposures are hedged where necessary.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report. This includes the strategic report, corporate governance report, directors' report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. The directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland').

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and the Group for that period.

Directors' report

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 applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the Group 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 company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor and disclosure of information to the auditor

In accordance with Section 418 of the Companies Act 2006, each of the directors as at 27 March 2026 confirms that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

BDO LLP offer themselves for reappointment as auditor in accordance with Section 485 of the Companies Act 2006.

Approved by the Board of Directors and signed on its behalf by:



Paul Ferguson, Company Secretary
27 March 2026

Independent auditor's report

to the members of Mott MacDonald Group Limited

Opinion on the financial statements

In our opinion, the financial statements:

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

We have audited the financial statements of Mott MacDonald Group Limited ('the Parent Company') and its subsidiaries ('the Group') for the year ended 31 December 2025 which comprise the consolidated income statement and statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of cash flows, the consolidated and company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent 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.

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.

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 or Parent Company's ability to continue as a going concern for a period of at least 12 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.

Climate change

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- enquiries and challenge of management and the Climate, Environment and Social ('CES') Steering Group to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and

Independent auditor's report

to the members of Mott MacDonald Group Limited

- review of the minutes of Executive Board, Audit and Risk Assurance Sub-committee and CES Steering Group meetings and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment as set out in the Group's Carbon Reduction Plan may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the directors' going concern assessment.

The management disclosures on pages 4 to 12 form part of the strategic report. Our responsibilities in relation to these disclosures are described in the relevant section of this report and our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained from the audit or otherwise appear to be materially misstated.

Other information

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

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements 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.

Independent auditor's report

to the members of Mott MacDonald Group Limited

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates, and considered the risk of acts by the Group which were contrary to applicable laws and regulations.

We considered the most significant laws and regulations to be the financial reporting framework, including:

- the Financial Reporting Standard 102;
- the Companies Act 2006; and
- the Wates Principles for Corporate Governance.

The Group is also subject to laws and regulations where the consequences of non-compliance could have a material effect on the amount of disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be:

- UK and international corporate and sales tax regulations;
- employee-related regulations including health and safety and equality; and
- anti-bribery and corruption guidance.

Independent auditor's report

to the members of Mott MacDonald Group Limited

Our procedures in respect of the above include:

- review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- enquiries with management, those charged with governance, legal counsel and internal audit to identify any known, suspected or alleged instances of non-compliance with laws and regulations;
- review of correspondence with tax authorities and other regulatory bodies for any instances of non-compliance with laws and regulations;
- involvement of tax specialists in the audit;
- review of financial statement disclosures and agreement to supporting documentation; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's policies and procedures relating to:
 - detecting and responding to the risk of fraud; and
 - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of control within the financial reporting close process and revenue recognition related to judgements and estimates in the timing of revenue earned.

Our procedures in respect of the above included:

- testing of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- assessing significant estimates made by management for bias in revenue recognition, including percentage completion based on estimated costs to complete and profitability of projects; and
- assessing other significant estimates and judgements made by management for bias within the revenue cycle, including completeness of provisions for contract assets, trade receivables, and contract losses and contract liabilities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Independent auditor's report

to the members of Mott MacDonald Group Limited

Use of our report

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

Lucie Kingdom (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
27 March 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated income statement and statement of comprehensive income

for the year ended 31 December 2025

Consolidated income statement	Notes	2025 £000	2024 £000
Gross revenue	5	2,482,019	2,518,138
Cost of sales		(1,514,498)	(1,546,179)
Gross profit		967,521	971,959
Administrative expenses		(877,859)	(871,290)
Operating profit	6(a)	89,662	100,669
Other income	6(b)	1,932	8,529
Income from other fixed asset investments		4	4
Income from current asset investments		3,115	1,780
Profit on ordinary activities before interest		94,713	110,982
Net interest receivable	9	10,531	10,107
Other finance income	25(c)	2,599	2,187
Profit on ordinary activities before taxation		107,843	123,276
Tax on profit on ordinary activities	10(a)	(39,008)	(34,705)
Profit on ordinary activities after taxation		68,835	88,571
Profit attributable to:			
Owners of the parent company	22	68,831	88,635
Non-controlling interests		4	(64)
		68,835	88,571

The Group's gross revenue and operating profit relate to continuing operations.

Consolidated statement of comprehensive income	Notes	2025 £000	2024 £000
Profit for the financial year		68,835	88,571
Other comprehensive (expense)/income			
Exchange adjustments on translation of net assets of overseas subsidiaries		(9,294)	(1,266)
Net actuarial loss on pension schemes	22, 25(c)	(5,826)	(554)
Tax on net actuarial loss	10(c), 22	1,532	121
Tax on additional pension contributions	22	–	(41)
Change in restriction of pension asset recognised – gross	22	3,189	(7,858)
Change in restriction of pension asset recognised – tax thereon	10(c), 22	(826)	1,938
Total other comprehensive expense		(11,225)	(7,660)
Total comprehensive income for the year		57,610	80,911
Total comprehensive income for the year attributable to:			
Owners of the parent company		57,605	80,976
Non-controlling interests		5	(65)
		57,610	80,911

Consolidated statement of financial position

at 31 December 2025

Registered No. 01110949	Notes	As restated ¹	
		2025 £000	2024 £000
Fixed assets			
Intangible assets	12	4,203	7,618
Tangible assets	13	98,363	92,125
Other fixed asset investments	14(a)	53	53
		102,619	99,796
Current assets			
Debtors	15	588,369	614,638
Current asset investments	14(a)	218,207	204,664
Cash at bank and in hand	27(b)	344,048	253,925
		1,150,624	1,073,227
Creditors: amounts falling due within one year	16	(664,641)	(602,664)
Net current assets		485,983	470,563
Total assets less current liabilities		588,602	570,359
Creditors: amounts falling due after more than one year	17	(9,277)	(10,300)
Provisions for liabilities	20	(56,034)	(69,863)
Net assets		523,291	490,196
Capital and reserves			
Called up share capital	21	11,713	11,713
Share premium account	22	17,717	17,717
Revaluation reserve	22	814	814
Investment in own shares	22	(35,374)	(17,113)
Profit and loss account	22	528,284	476,932
Equity attributable to owners of the parent company		523,154	490,063
Non-controlling interests		137	133
Total capital and reserves		523,291	490,196

¹ Cash at bank and in hand and current asset investments have been restated for 2024 as explained in note 14(a).

The financial statements on pages 49 to 93 were approved and authorised for issue by the Board of Directors on 27 March 2026 and signed on its behalf by:



James Harris, Group Chief Executive

Company statement of financial position

at 31 December 2025

Registered No. 01110949	Notes	2025 £000	2024 £000
Fixed assets			
Investment in subsidiary undertakings	14(b)	300,915	332,221
Current assets			
Debtors	15	37,068	27,003
Cash at bank and in hand		1	88
		37,069	27,091
Creditors: amounts falling due within one year	16	(155,024)	(20)
Net current (liabilities)/assets		(117,955)	27,071
Total assets less current liabilities		182,960	359,292
Creditors: amounts falling due after more than one year	17	–	(185,000)
Net assets		182,960	174,292
Capital and reserves			
Called up share capital	21	11,713	11,713
Share premium account	22	17,717	17,717
Revaluation reserve	22	2,733	2,733
Profit and loss account		150,797	142,129
Shareholders' equity		182,960	174,292

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The profit of the company for the year was £14,940,000 (2024 – £13,071,000).

The financial statements on pages 49 to 93 were approved and authorised for issue by the Board of Directors on 27 March 2026 and signed on its behalf by:



James Harris, Group Chief Executive

Consolidated statement of cash flows

for the year ended 31 December 2025

		As restated ¹	
	Notes	2025 £000	2024 £000
Operating activities			
Net cash inflow from operations	27(a)	154,620	114,156
Interest paid	9	(813)	(1,352)
Taxation:			
UK corporation tax paid		(2,638)	(43)
Overseas tax paid		(8,705)	(24,861)
		(12,156)	(26,256)
Net cash flow from operating activities		142,464	87,900
Investing activities			
Payments to acquire intangible fixed assets	12	(135)	(283)
Payments to acquire tangible fixed assets	13	(40,689)	(52,421)
Receipts from sales of tangible fixed assets		4,542	2,412
Payments to acquire current asset investments in captive insurance company	14(a)	(23,570)	(14,934)
Receipts from sales of current asset investments in captive insurance company		25,097	9,388
Placement of term deposits with original maturities between three and 12 months	14(a)	(244,951)	(219,248)
Redemption of term deposits with original maturities between three and 12 months	14(a)	228,951	221,465
Receipts from sales of other fixed asset investments		–	137
Interest received		11,382	11,204
Acquisition of subsidiary – payments made		–	(1,832)
Acquisition of business – payments made		–	(1,545)
Acquisition of subsidiary – net cash acquired		–	208
Receipts from disposal of subsidiaries		–	105
Disposal of subsidiary – net cash disposed		–	(44)
Net cash flow used in investing activities		(39,373)	(45,388)
Financing activities			
Dividends paid to non-controlling interests		(1)	(1)
Redemption of shares classed as financial liabilities		(4)	(2)
Proceeds from sale of shares to employees		483	16,621
Receipts in advance of the 1 January 2026 share offer to employees		12,536	–
Repurchases of own shares from employees		(18,725)	(18,616)
Equity dividends paid	11	(6,272)	(6,277)
Net cash flow used in financing activities		(11,983)	(8,275)
Increase in cash and cash equivalents		91,108	34,237
Effect of exchange rates on cash and cash equivalents		(4,087)	(5,325)
Cash and cash equivalents at 1 January		301,930	273,018
Cash and cash equivalents at 31 December	27(b)	388,951	301,930

¹ Cash and cash equivalents have been restated for 2024 as explained in note 27(b).

Consolidated and company statement of changes in equity

for the year ended 31 December 2025

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Called up share capital (note 21)				
At 1 January and 31 December	11,713	11,713	11,713	11,713
Share premium account (note 22)				
At 1 January and 31 December	17,717	17,717	17,717	17,717
Revaluation reserve (note 22)				
At 1 January and 31 December	814	814	2,733	2,733
Investment in own shares (note 22)				
At 1 January	(17,113)	(14,695)	–	–
Sale of shares by Employee Trust to employees	483	16,621	–	–
Repurchases of shares by Employee Trust from employees	(18,725)	(18,616)	–	–
Surplus on disposal of own shares	(19)	(423)	–	–
At 31 December	(35,374)	(17,113)	–	–
Profit and loss account (note 22)				
At 1 January	476,932	401,810	142,129	135,335
Profit for the year	68,831	88,635	14,940	13,071
Other comprehensive (expense)/income:				
Exchange adjustments on translation of net assets of overseas subsidiaries	(9,295)	(1,265)	–	–
Net actuarial loss on pension schemes (note 25(c))	(5,826)	(554)	–	–
Tax on net actuarial loss (note 10(c))	1,532	121	–	–
Tax on additional pension contributions	–	(41)	–	–
Change in restriction of pension asset recognised – gross	3,189	(7,858)	–	–
Change in restriction of pension asset recognised – tax thereon	(826)	1,938	–	–
Total other comprehensive expense for the year	(11,226)	(7,659)	–	–
Total comprehensive income for the year	57,605	80,976	14,940	13,071
Surplus on disposal of own shares	19	423	–	–
Dividends (note 11)	(6,272)	(6,277)	(6,272)	(6,277)
At 31 December	528,284	476,932	150,797	142,129
Equity attributable to owners of the parent company	523,154	490,063	182,960	174,292

Consolidated and company statement of changes in equity

(continued)

for the year ended 31 December 2025

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Equity attributable to owners of the parent company	523,154	490,063	182,960	174,292
Non-controlling interests				
At 1 January	133	199	–	–
Profit/(loss) for the year	4	(64)	–	–
Other comprehensive income/(expense):				
Exchange adjustments on translation of net assets of overseas subsidiaries	1	(1)	–	–
Total comprehensive income/(expense) for the year	5	(65)	–	–
Dividends	(1)	(1)	–	–
At 31 December	137	133	–	–
Total capital and reserves	523,291	490,196	182,960	174,292
Total capital and reserves				
At 1 January	490,196	417,558	174,292	167,498
Sale of shares by Employee Trust to employees	483	16,621	–	–
Repurchases of shares by Employee Trust from employees	(18,725)	(18,616)	–	–
Profit for the year	68,835	88,571	14,940	13,071
Other comprehensive expense for the year	(11,225)	(7,660)	–	–
Dividends	(6,273)	(6,278)	(6,272)	(6,277)
At 31 December	523,291	490,196	182,960	174,292

All transactions other than in the income statement or the statement of comprehensive income are transactions with owners.

Notes to the financial statements

at 31 December 2025

1. Company information

Mott MacDonald Group Limited is a private company limited by shares, registered in England and Wales with registered number 01110949. The registered office is: 10 Fleet Place, London EC4M 7RB, United Kingdom.

2. Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (‘FRS 102’), and with the Companies Act 2006. The Group and company financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below, and investments in subsidiary undertakings which are held at deemed cost since transition to FRS 102.

No company income statement is presented for Mott MacDonald Group Limited as permitted by Section 408 of the Companies Act 2006.

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available to qualifying entities under FRS 102:

- no cash flow statement or net funds reconciliation has been presented for the parent company; and
- no financial instruments disclosure has been presented for the parent company.

Basis of consolidation

The consolidated financial statements present the results of Mott MacDonald Group Limited and its subsidiaries (‘the Group’) as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full. The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree’s identifiable assets, liabilities and contingent liabilities are initially recognised at their fair value at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The profit attributable to members of the company is stated after deducting the proportion attributable to non-controlling interests.

Mott MacDonald Employee Trust (‘Employee Trust’)

The results, assets and liabilities of the Employee Trust have been included in the Group financial statements on the basis that the Group has control of the trust.

The costs of purchasing own shares held by the Employee Trust are shown as a deduction in arriving at total shareholders’ equity. The proceeds from the sale of own shares held increase shareholders’ equity. Any gains or losses arising from the sale or repurchase of own shares are reflected directly in reserves and do not affect the consolidated profit for the year. The sponsoring entity for the Employee Trust is Mott MacDonald Limited, a wholly owned subsidiary of Mott MacDonald Group Limited, and therefore the results, assets and liabilities of the Employee Trust have also been included in the financial statements of that entity. Further details about the Employee Trust are given in note 21.

Notes to the financial statements

at 31 December 2025

2. Basis of preparation (continued)

Going concern

The Group has prepared a cash flow forecast (base case) to 31 December 2027 and the Group considers it has sufficient cash reserves to continue trading, whilst meeting the financial covenants set within the bank facilities.

In addition, having considered the economic environment in the markets in which the Group operates based on historical experience, the Group performed detailed analysis on future cash flow projections up to 31 December 2027 using a hypothetical, severe but plausible, downside scenario of reductions in both revenue and cash receipts of 20% that may result from the negative impact of events, such as a severe global recession, or other macroeconomic factors. The projections incorporate a number of scenarios including a typical response from the Group by taking appropriate cost cutting measures to preserve cash and other scenarios where the Group is either slower in its response or where little or no mitigation measures are being taken by the Group. While the cash flow impact of these scenarios is materially different to the base case forecast, the financial modelling indicates that the Group and company would still have sufficient liquidity and be able to continue trading for at least 12 months from the date of approval of the financial statements.

The Group also has a strong cash position at the statement of financial position date and a bank facility is in place up until December 2030 for £125m, of which only £9m utilised at the year end (2024 – £10m), with an accordion of £50m available to use as part of the main facility agreement.

On the basis of the above, the directors have a reasonable expectation that the Group and company have adequate resources to continue in operational existence for the foreseeable future, and at least for a period of 12 months from the date the financial statements are signed. The directors therefore consider the adoption of the going concern basis in preparing the financial statements as appropriate.

3. Significant judgements and estimates

When preparing the financial statements, management makes a number of estimates, judgements and assumptions about the recognition and measurement of assets, liabilities, revenue and expenses. Management bases its assessment for estimates and judgements on historical experience, market insights and other factors, including expectations of future events that are believed to be reasonable in light of known circumstances.

Critical accounting judgements in applying the Group's accounting policies that have the most significant effect on amounts recognised in these financial statements are as follows:

Revenue from contracts

Where a change in the scope of work occurs, judgement is exercised on a contract-to-contract basis to determine whether the criteria for revenue recognition are met. The most important criteria are that the revenue and costs can be measured reliably and that it is probable that billings associated to the change in scope will be collected.

Provisions

From time to time, the Group receives claims from clients or other parties with regards to work performed on projects. The Group insures itself against such claims through policies written by its captive insurance subsidiary and through the external insurance market. Significant judgement is required to determine whether a provision should be put in place for these claims, including considering their merits.

Notes to the financial statements

at 31 December 2025

3. Significant judgements and estimates (continued)

Defined benefit pension schemes

Section 28 of FRS 102 permits an entity to recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. In the opinion of the directors, the Group does not have an unconditional right to the surplus and therefore no asset has been recognised.

Estimates that may carry a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year are considered as follows:

Revenue from contracts

The Group's revenue accounting policy is central to how the Group values the work it has carried out in each financial year. This policy requires forecasts to be made on the current percentage of completion and the projected outcomes of projects. The key estimates relating to determining the revenue and profitability of projects and related assets or liabilities within the Group's financial statements are:

- percentage of completion – calculated by taking actual cost incurred as a percentage of forecast total cost. Estimation is required in determining the forecast cost;
- profitability of a project – project teams use their judgement to estimate the costs to complete a project. These include an assessment of the cost of anticipated potential future expenses; and
- pain/gain share – should contracts contain clauses that give rise to reductions in the amounts billable (pain) or additional upside fees billable (gain), project teams use their judgement to estimate their share of any pain/gain and include the impact of such in the percentage of completion assessment, which therefore impacts revenues recognised.

Projects may contain contingencies in their accounting estimates. The contingencies can be for potential costs to complete the project (cost contingencies) and for potential clawback or disallowance of fees where work has been done or is planned to be done (revenue contingencies).

Such cost and revenue contingencies are only included in the estimates in project budgets if they are deemed 'more likely than not to occur' when the financial statements are prepared. Management has reviewed project budgets at 31 December 2025 and is satisfied that contingencies that are included in project budgets reflect this methodology and the criteria set out above. There is however uncertainty in respect of the extent and magnitude of the contingencies, most notably whether the amounts recognised will fully crystallise. Due to their nature, revenue contingencies tend to require more judgement than cost contingencies. Revenue contingencies totalled c£81m at 31 December 2025 (2024 – c£73m), the majority of which relates to 33 projects (2024 – 28 projects).

The classifications in the statement of financial position impacted by the above factors are contract assets £236.9m (2024 – £226.5m) and contract liabilities £189.9m (2024 – £185.5m).

Based on the information available as at 31 December 2025, management does not consider there to be any significant risk of a material change to the estimates and contingencies that feed into contract accounting on projects within the next financial year. However, future events and circumstances which cannot be foreseen at this stage may require significant changes to these estimates and contingencies at some future point.

Management is content that its project budgeting, contract management and risk management processes will reasonably result in any such future changes to a project being absorbed in future project budgets without creating a specific material unfunded project loss.

The Group considers that the level of estimation uncertainty in the financial statements as a whole is mitigated by the size of the Group's portfolio of contracts, which are of various types and at different stages of completion at any point in time.

Notes to the financial statements

at 31 December 2025

3. Significant judgements and estimates (continued)

Provisions

Accounting estimates are made to value these claims estimating the likely outflow utilising both internal and external sources, as well as the result of past experience. Any reimbursable that the Group is virtually certain to receive with respect to the likely outflow is recognised as a separate asset but limited to the value of the likely outflow. Assumptions are used in making these estimates and as such subsequent events may mean that they prove to be inaccurate, with an adjustment made in a future year. These estimates will affect the carrying value of 'other provisions' of £30.5m (2024 – £41.4m), see note 20.

Defined benefit pension schemes

The cost of defined benefit pension plans is determined annually using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, inflation, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty, with the valuation being most sensitive to the life expectancy, discount and inflation rate actuarial assumptions used. There is a range of possible values for the assumptions and small changes in these may have a significant impact on the valuation of the defined benefit pension obligations. The assumptions in relation to the UK scheme are set out in note 25, including sensitivity analysis on the three most critical estimates.

4. Principal accounting policies

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the acquisition date) of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill.

Goodwill and intangible assets

Positive goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its estimated useful life.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each cash generating unit that is expected to benefit from the synergies of the combination.

If a subsidiary or business is subsequently sold or closed, any goodwill arising on acquisition that has not been amortised through the income statement is taken into account in determining the profit or loss on sale or closure.

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.

Intangible assets acquired on acquisition are only recognised separately from goodwill if they meet the following three conditions:

- future economic benefits are probable and the cost or value of the asset can be reliably measured;
- the intangible asset arises from contractual or other legal rights; and
- the intangible asset is separable.

Intangible assets created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred, unless the asset will generate probable future economic benefits and the costs can be reliably measured.

Notes to the financial statements

at 31 December 2025

4. Principal accounting policies (continued)

Goodwill and intangible assets (continued)

Subsequent to initial recognition, goodwill and intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Goodwill and intangible assets are amortised on a straight line basis over their estimated useful lives with the amortisation being charged to administrative expenses in the income statement. The net book values of goodwill and intangible assets are reviewed for impairment if events or changes in circumstances indicate the net book value may not be recoverable. The useful economic lives of goodwill and intangible assets are as follows:

Goodwill	3 to 10 years
Software	2 to 10 years

Non-controlling interests

The Group treats transactions with non-controlling interests as transactions with the equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded as changes in equity. Gains or losses on disposals to non-controlling interests are also recorded as changes in equity.

Tangible fixed assets

Tangible fixed assets are measured at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives, using the straight line method. The useful economic lives of tangible fixed assets are as follows:

Fixtures, fittings and equipment	3 to 10 years
Motor vehicles	3 to 4 years

Gross revenue

The term 'gross revenue' used in these financial statements is the same as the statutory definition of turnover contained in Section 474 of the Companies Act 2006.

Gross revenue represents the fair value of the consideration receivable in respect of services provided during the year, inclusive of direct expenses incurred but excluding Value Added Tax. In recognising revenue, consideration is given to the contractual terms within individual contracts to determine whether the Group is engaging in the arrangement as a principal or as an agent. Determining whether the Group is acting as a principal or as an agent is based on an assessment of the contract in line with the factors set out in Section 23 of FRS 102, being, primary responsibility for delivery of goods or services, inventory risk, credit risk and latitude to establish prices. In addition to these factors, consideration is also given to any other relevant facts specific to the circumstances of the contract to decide whether the Group has exposure to the significant risks and rewards associated with the transaction.

Where it is determined that the Group is acting as an agent, the related revenue and costs are offset with each other leaving only the Group's fee as revenue in the financial statements. Principal versus agency considerations are typically applied to contracts where a significant portion of the contract relates to funds that are disbursed by the Group on behalf of the client.

Gross revenue on fixed price or lump sum contracts is recognised in the income statement by reference to the stage of completion of the contract at the statement of financial position date, provided that a right to consideration has been obtained through performance.

Notes to the financial statements

at 31 December 2025

4. Principal accounting policies (continued)

Gross revenue (continued)

Consideration accrues as contract activity progresses by reference to the value of work performed, which coincides with costs incurred, and this is estimated by reference to costs incurred to date compared to expected lifetime costs. Hence the proportion of revenue recognised in the year equates to the proportion of costs incurred to total anticipated contract costs less amounts recognised in previous years where relevant.

Gross revenue for time and materials contracts is recorded over time in the income statement based on the value of the Group's work performed for the client.

Consulting services revenue (see note 5) is recognised by either of the methods above depending on the type of contract, while building and civil engineering contracting revenue is recognised by reference to the stage of completion.

Contract variations and claims are included in revenue where it is probable that the amount, which can be measured reliably, will be recovered from the client.

Full provision is made for losses on all contracts in the year in which they are first foreseen.

Contract assets represent the excess of revenue earned by reference to work done over the amounts invoiced at the year end. Where the progress payments received and receivable exceed the value of revenue earned to date, the excess is shown within creditors as contract liabilities.

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations.

A joint arrangement that provides the Group with rights to the individual assets and obligations arising from the arrangement is classified as a joint operation and a joint arrangement that provides the Group with rights to the net assets of the arrangement is classified as a joint venture.

The Group accounts for a joint operation by recognising its share of assets, liabilities, revenues and expenses of the joint operation and combining them line by line with similar items in the Group consolidated financial statements.

Joint ventures are accounted for using the equity method. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures. The Group had no material joint ventures at the statement of financial position date.

Research and development

Research and development costs required to complete projects during the normal course of business are immediately expensed to the income statement. Development costs incurred in developing assets for ongoing use in the business are assessed for capitalisation against the criteria of FRS 102. Where such assets meet the required criteria, they are capitalised and amortised over their estimated useful lives.

Fixed asset investments including subsidiaries

Fixed asset investments are recognised initially at fair value which is normally the transaction price (including transaction costs). Subsequently, they are measured at cost less any provision for impairment.

Notes to the financial statements

at 31 December 2025

4. Principal accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, such as term deposits with original maturities of less than three months.

Current asset investments

Current asset investments held at fair value are held by MHACE Insurance Company Limited, the Group's captive insurance company. Current asset investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs, where the investment is subsequently measured at fair value through profit or loss). Subsequently, they are measured at fair value through profit or loss except for those investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available. If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measurable is treated as the cost of the instrument.

The investments are managed on behalf of the Group by external investment advisers and Group management does not actively participate in the investment process. As a result, it is considered inappropriate to classify such investments as cash equivalents in the statement of cash flows.

Current asset investments held at amortised cost are term deposits with original maturities of less than one year. They are measured at amortised cost less impairment where the investments are held to collect contractual cash flows that represent solely repayments of principal and interest. Those with original maturities of less than three months are classified as cash equivalents.

Financial assets

Basic financial assets, including trade debtors, other receivables, term deposits and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and any changes in fair value are recognised in the income statement, except for investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably which are measured at cost less impairment.

Notes to the financial statements

at 31 December 2025

4. Principal accounting policies (continued)

Financial assets (continued)

Financial assets are derecognised when:

- the contractual rights to the cash flows from the asset expire or are settled; or
- substantially all the risks and rewards of ownership of the asset are transferred to another party; or
- despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade creditors, other payables, bank loans, loans from fellow Group subsidiary undertakings and convertible deferred shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Provisions are measured as the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

Taxation

Current tax, including UK corporation tax, is provided on amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences at the statement of financial position date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the Group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

Notes to the financial statements

at 31 December 2025

4. Principal accounting policies (continued)

Deferred taxation (continued)

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date and are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense or income is presented either in the income statement, statement of comprehensive income or equity depending on the transaction that resulted in the tax expense or income. Where additional pension contributions paid relate to past actuarial losses, the deferred tax movement thereon is recorded in other comprehensive income.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the Group has a legally enforceable right to offset current tax assets against current tax liabilities; and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Dividends

Dividends are only reflected in the financial statements to the extent that, at the statement of financial position date, they are declared and paid or declared as a final dividend in a general meeting.

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements are presented in pound sterling (£), which is the company's and the Group's presentation currency.

Foreign currencies

Transactions in foreign currencies are initially recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. All differences are taken in the income statement.

The assets and liabilities of overseas subsidiary undertakings are translated into pound sterling at the rate of exchange ruling at the statement of financial position date. Income and expenses for each statement of comprehensive income are translated at the average rate of exchange prevailing throughout the year as an approximation for the rate applying at the date of the relevant transaction. All resulting exchange differences are recognised in other comprehensive income or expense.

Operating leases

Rentals payable under operating leases are charged in the income statement on a straight line basis over the lease term. Lease incentives are recognised over the lease term on a straight line basis.

Employee benefits

Short-term employee benefits and contributions to defined contribution pension plans are recognised as an expense in the period in which they are incurred.

Notes to the financial statements

at 31 December 2025

4. Principal accounting policies (continued)

Pensions

The Group operates a number of pension schemes throughout the world which are described more fully in note 25. Pension costs charged against operating profit for the defined contribution schemes are the contributions payable in respect of the accounting period. All defined benefit schemes are now closed to future accrual of benefits and the surpluses or deficits are determined by the actuaries.

Scheme assets are measured at fair value. Fair value is based on market price information and in the case of quoted securities is the published bid price. Scheme liabilities are measured on an actuarial basis using the 'Projected Unit' method and are discounted at appropriate high-quality corporate bond rates. The surplus (if recognised) or deficit is presented separately from other assets and liabilities in the statement of financial position, with the corresponding deferred tax asset or liability disclosed within debtors or provisions for liabilities. A surplus is recognised only to the extent that it is recoverable by the Group.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. When a settlement or a curtailment occurs, the changes in the present value of the scheme liabilities and the fair value of the plan assets reflect the gain or loss which is recognised in the income statement during the period in which it occurs.

The net interest element is determined by multiplying the net defined benefit asset or liability by the discount rate at the start of the period, taking into account any changes in the net defined benefit asset or liability during the period as a result of contribution and benefit payments. The net interest is recognised in the income statement as other finance income or cost. Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit asset or liability (excluding amounts included in net interest) are recognised immediately in other comprehensive income or expense in the period in which they occur. Remeasurements are not reclassified to the income statement in subsequent periods.

Notes to the financial statements

at 31 December 2025

5. Gross revenue

Gross revenue is attributable mainly to one continuing activity, the provision of consulting services, except for J.N. Bentley Limited which is a building and civil engineering contracting business.

Gross revenue is analysed as follows:

Analysis by destination:

	2025	2024
	£000	£000
Europe	1,515,064	1,443,705
Americas	475,306	533,903
Australia and New Zealand	181,796	200,010
Middle East and Africa	179,285	188,395
Asia	130,568	152,125
	2,482,019	2,518,138

Analysis by type of business:

Consulting services	1,882,968	1,954,792
Building and civil engineering contracting (construction contracts)	599,051	563,346
	2,482,019	2,518,138

Notes to the financial statements

at 31 December 2025

6. Operating profit and other income

(a) Operating profit

This is stated after charging/(crediting):	2025	2024
	£000	£000
<hr/>		
Auditors' remuneration – audit services:		
– principal auditor for audit of parent company and Group financial statements	368	362
– principal auditor for audit of subsidiary undertakings	1,093	1,099
– associates of principal auditor for audit of subsidiary undertakings	851	827
– associates of principal auditor prior year	47	46
	<hr/>	<hr/>
	2,359	2,334
– non-principal auditors for audit of subsidiary undertakings	211	291
	<hr/>	<hr/>
	2,570	2,625
Auditors' remuneration – non-audit services:		
– principal auditor	3	2
– associates of principal auditor:		
taxation	2	2
other	–	3
	<hr/>	<hr/>
	5	7
Current service costs in pension schemes (note 25(c))	–	118
Foreign exchange losses	1,409	3,548
Depreciation (note 13)	29,547	24,141
Amortisation of goodwill (note 12)	2,384	3,248
Amortisation of software (note 12)	908	2,059
Amortisation of other intangibles (note 12)	–	2,381
(Profit)/loss on disposal of tangible fixed assets	(1,115)	72
Operating lease rentals – land and buildings	34,676	35,233
– vehicles and equipment	1,060	441

(b) Other income

	2025	2024
	£000	£000
<hr/>		
Research and Development Expenditure Credit (RDEC)	1,932	8,529
<hr/>		

Notes to the financial statements

at 31 December 2025

7. Directors' remuneration

	2025	2024
	£000	£000
Emoluments (excluding pension contributions)	5,168	4,640

The emoluments above relate to 6 directors in the year ended 31 December 2025 (2024 – 5).

The emoluments (excluding pension contributions) of the highest paid director were £1,143,091 (2024 – £1,099,419).

During the year, £103,404 (2024 – £81,386) of contributions were paid to defined contribution pension plans in respect of 5 directors (2024 – 4), of which £9,221 (2024 – £8,952) related to the highest paid director. Some of the directors also have benefits under the closed defined benefit schemes. The accrued annual pension of the highest paid director at 31 December 2025 was £13,308 (2024 – £12,528).

The scheme provides an option to commute part of this pension for a lump sum, which amounted to £66,371 at 31 December 2025 (2024 – £64,410) for the highest paid director. The lump sum is calculated in accordance with HM Revenue & Customs rules using a scheme-specific formula.

8. Staff costs

	2025	2024
	£000	£000
Salaries	1,150,684	1,154,739
Social security costs	117,707	106,703
Other pension costs (defined contribution schemes)	109,707	109,896
	1,378,098	1,371,338

The average number of persons employed by the Group (including directors) during the year was made up as follows:

	No.	No.
Management	1,661	1,647
Technical staff	14,848	14,815
Administrative staff	2,256	2,316
	18,765	18,778
The actual number of permanent staff at 31 December was:	18,829	18,769

There are no staff employed directly by the parent company, Mott MacDonald Group Limited.

Notes to the financial statements

at 31 December 2025

9. Net interest receivable

	2025	2024
	£000	£000
Interest receivable	11,344	11,459
Interest payable:		
Bank loans and overdrafts	(620)	(748)
Other	(193)	(604)
	(813)	(1,352)
Net interest receivable	10,531	10,107

10. Tax

(a) Tax on profit on ordinary activities

	2025	2024
	£000	£000
The taxation charge is made up as follows:		
Current tax:		
UK corporation tax	13,103	11,969
Non-UK tax	19,667	16,210
	32,770	28,179
Adjustments in respect of previous years:		
UK corporation tax	1,182	271
Non-UK tax	190	(389)
Total current tax	34,142	28,061
Deferred tax:		
Origination and reversal of timing differences	2,469	7,982
Adjustments in respect of previous years	2,397	(1,338)
Total deferred tax charge (note 10(c))	4,866	6,644
Tax on profit on ordinary activities (note 10(b))	39,008	34,705

The aggregate current and deferred tax relating to items that are recognised in the statement of comprehensive income is a credit of £706,000 (2024 – £2,018,000 credit).

Notes to the financial statements

at 31 December 2025

10. Tax (continued)

(b) Factors affecting tax charge for the year

The tax provided for the year is higher than the amount computed at the standard rate of corporation tax in the UK of 25% (2024 – 25%). The differences are explained below.

	2025	2024
	£000	£000
Profit on ordinary activities before taxation	107,843	123,276
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 25% (2024 – 25%).	26,961	30,819
Effects of:		
Movement in tax losses	166	490
Differing tax rates on non-UK earnings	5,157	3,018
Adjustments in respect of previous years	3,769	(1,456)
Timing differences not provided	20	88
Other permanent differences	2,935	1,746
Tax on profit on ordinary activities (note 10(a))	39,008	34,705

Adjustments in respect of previous years include the effects of changes in tax legislation or interpretations and revisions of estimates used in establishing prior period tax provisions.

Other permanent differences include consolidation adjustments, such as goodwill amortisation, as well as permanent tax reliefs and non-deductible items.

The items listed above are likely to impact on tax charges of future years as well, although their exact quantum will vary with time and circumstances.

The Group has tax losses of £79,261,000 (2024 – £68,399,000) that are available indefinitely for offset against future taxable profits of those companies in which the losses arose. The losses are mainly in South Africa, the USA, Hong Kong, France and South Korea. Deferred tax assets have not been recognised in respect of £61,453,000 (2024 – £57,479,000) of these losses as there is significant uncertainty over whether the subsidiary undertakings in which they have arisen will generate sufficient taxable profits in future years to allow the losses to be utilised.

Notes to the financial statements

at 31 December 2025

10. Tax (continued)

(c) Deferred tax

Group	2025 £000	2024 £000
The deferred tax included in the statement of financial position is as follows:		
Included in debtors (note 15)	26,001	30,768
Included in provisions for liabilities (note 20)	(10,703)	(9,791)
	15,298	20,977
The elements of deferred taxation are as follows:		
Excess of book depreciation over tax allowances on fixed assets	(10,439)	(8,584)
Amortisation of intangible assets	1,121	963
Accrued expenses and provisions	20,426	17,232
Losses	3,904	1,866
Other timing differences	286	9,500
	15,298	20,977
The movement in the year was:		
At 1 January	20,977	28,104
Deferred tax charge in the income statement (note 10(a))	(4,866)	(6,644)
Deferred tax credit/(charge) in the statement of comprehensive income		
– on net actuarial loss on pension schemes (note 22)	1,532	121
– on defined benefit pension contributions made during the year	–	(3,196)
– on change in restriction of pension asset recognised (note 22)	(826)	1,938
Exchange and other adjustments	(1,519)	654
At 31 December	15,298	20,977

The amount of the net reversal of deferred tax expected to occur next year is £3,960,000 (2024 – £765,000).

(d) International tax reform – Pillar Two model rules

The Group monitors income tax developments in all jurisdictions where it operates, including the OECD's Base Erosion and Profit Shifting ('BEPS') Pillar Two initiative, which introduces a 15% global minimum tax for large multinationals. Legislation enacted in the UK (Finance (No. 2) Act 2023) has implemented these rules through a Multinational Top-up Tax and a Domestic Top-up Tax, effective for accounting periods beginning on or after 31 December 2023. The first period, to which the Pillar Two rules applied to the Group, was the year ending 31 December 2024.

For the year ending 31 December 2025, the Group does not expect any material increase in tax liabilities as a result of the Pillar Two rules. In assessing the impact, the Group performed an analysis under the transitional safe harbour provisions issued by the OECD. Based on this analysis, most jurisdictions in which the Group operates are expected to meet the safe-harbour thresholds, and only a small number of jurisdictions have been identified as likely to require full Pillar Two computations for 2025. Preliminary estimates indicate that any additional top-up tax in those jurisdictions would not be material to the Group's financial statements.

Notes to the financial statements

at 31 December 2025

10. Tax (continued)

(d) International tax reform – Pillar Two model rules (continued)

In line with prevailing accounting guidance, the Group has not recognised any deferred tax assets or liabilities related to potential Pillar Two top-up taxes. The Group has applied the temporary exception for Pillar Two enacted by the Financial Reporting Council (through amendments to FRS 102 in July 2023) which exempts companies from accounting for deferred tax on Pillar Two and from disclosing related deferred tax information. The Group will continue to monitor ongoing developments – including the introduction of any Qualified Domestic Minimum Top-up Taxes in relevant jurisdictions and the scheduled phase-in of the Under-Taxed Profits Rule (UTPR) in the UK – and will update its disclosures in future reporting periods as required.

11. Dividends

The following dividends were paid during the year:	2025	2024
	£000	£000
Ordinary:		
Interim dividend paid per share (2025 – 65p; 2024 – 58p)	6,272	6,277

The trustees of the Mott MacDonald Employee Trust waived the dividend on their 2,064,736 ordinary shares (held at the relevant date for dividend purposes) amounting to £1,342,078.

12. Group intangible fixed assets

2025	Goodwill	Software	Other	Total
	£000	£000	intangibles	£000
	£000	£000	£000	£000
Cost:				
At 1 January	86,293	28,858	40,760	155,911
Exchange adjustments	(564)	(215)	–	(779)
Additions	–	135	–	135
Disposals	(997)	(4,256)	–	(5,253)
At 31 December	84,732	24,522	40,760	150,014
Amortisation:				
At 1 January	80,548	26,985	40,760	148,293
Exchange adjustments	(357)	(196)	–	(553)
Provided during the year	2,384	908	–	3,292
Disposals	(997)	(4,224)	–	(5,221)
At 31 December	81,578	23,473	40,760	145,811
Net book value:				
At 31 December	3,154	1,049	–	4,203
At 1 January	5,745	1,873	–	7,618

Notes to the financial statements

at 31 December 2025

12. Group intangible fixed assets (continued)

The goodwill carrying value at 31 December 2025 is £3,154,000 which relates to the acquisitions of The Kercher Group, Inc. (£509,000) and Pacific Groundwater Group, Inc. (£164,000) in 2021, the acquisition of Engevity Advisory Pty Limited (£626,000) in 2023, and the acquisitions of Merz Consultancy Pty Limited (£930,000) and Neo Engineering Consultancy (£925,000) in 2024.

13. Group tangible fixed assets

2025

	Motor vehicles £000	Fixtures, fittings & equipment £000	Total £000
Cost:			
At 1 January	15,756	168,403	184,159
Exchange adjustments	(7)	(3,738)	(3,745)
Additions	7,017	33,672	40,689
Disposals	(2,344)	(23,375)	(25,719)
At 31 December	20,422	174,962	195,384
Depreciation:			
At 1 January	6,443	85,591	92,034
Exchange adjustments	(6)	(2,262)	(2,268)
Provided during the year	3,848	25,699	29,547
Disposals	(2,176)	(20,116)	(22,292)
At 31 December	8,109	88,912	97,021
Net book value:			
At 31 December	12,313	86,050	98,363
At 1 January	9,313	82,812	92,125

14. Investments

(a) Group

Other fixed asset investments

	2025 £000	2024 £000
Cost:		
At 1 January	53	190
Disposals	–	(137)
At 31 December	53	53

Other fixed asset investments are those assets which do not meet the criteria for being accounted as subsidiary undertakings, associates or joint ventures. The principal activity of the businesses comprising other fixed asset investments is that of consulting engineers.

Notes to the financial statements

at 31 December 2025

14. Investments (continued)

(a) Group (continued)

Current asset investments

2025

	Held at fair value £000	Held at amortised cost £000	Total £000
At 1 January	42,659	162,005	204,664
Exchange adjustments	–	(421)	(421)
Additions	23,570	1,108,854	1,132,424
Disposals/redemptions	(23,957)	(1,095,535)	(1,119,492)
Fair value adjustments	1,032	–	1,032
At 31 December	43,304	174,903	218,207

2024 (as restated)

At 1 January	36,121	120,262	156,383
Exchange adjustments	–	(52)	(52)
Additions	14,934	981,252	996,186
Disposals/redemptions	(9,010)	(939,457)	(948,467)
Fair value adjustments	614	–	614
At 31 December	42,659	162,005	204,664

Current asset investments held at fair value are held by MHACE Insurance Company Limited, the Group's captive insurance company. Current asset investments are comprised of 80% fixed interest securities and 20% managed equity funds. The investments are carried at market value based on mid-market price at the close of business on the valuation date. The historical cost of current asset investments is £41,296,000 (2024 – £41,683,000).

Current asset investments held at amortised cost are term deposits with original maturities of less than one year.

During the financial year, the Group invested £244,951,000 (2024 – £219,248,000) in, and redeemed £228,951,000 (2024 – £221,465,000) of, deposits held with banks having maturities of between three and 12 months. At the statement of financial position date, deposits with original maturities of less than three months totalled £44,903,000 (2024 – £48,005,000) and deposits with original maturities between three and 12 months totalled £130,000,000 (2024 – £114,000,000). The average maturity of the deposits held at the year end was seven months (2024 – six months). The average interest rate was 3.54% (2024 – 4.25%).

Having reviewed the terms and conditions relating to redemption of term deposits, it is deemed more appropriate to treat such balances as current asset investments rather than cash at bank and in hand. The prior year figures have therefore been restated to reclassify these amounts from cash at bank and in hand to current asset investments which are held at amortised cost on the basis that they are basic financial instruments (see also note 27(b)).

Notes to the financial statements

at 31 December 2025

14. Investments (continued)

(b) Company

Subsidiary undertakings	2025	2024
	£000	£000
Cost or deemed cost:		
At 1 January	333,671	348,671
Capital repayment	(30,000)	(15,000)
At 31 December	303,671	333,671
Amounts provided:		
At 1 January	1,450	1,450
Provided during the year	1,306	–
At 31 December	2,756	1,450
Net book value:		
At 31 December	300,915	332,221
At 1 January	332,221	347,221

The total historical cost of interests in subsidiary undertakings is £300,544,000 (2024 – £330,544,000).

Subsidiary undertakings held at cost or written down value amount to £287,707,000 (2024 – £319,013,000).

Subsidiary undertakings held at deemed cost amount to £13,208,000 (2024 – £13,208,000), the historical cost of which amounts to £10,081,000 (2024 – £10,081,000).

Notes to the financial statements

at 31 December 2025

14. Investments (continued)

(c) Principal subsidiaries

The company's principal subsidiary undertakings at 31 December 2025 are shown below. All of these undertakings have coterminous year ends with the exception of Mott MacDonald Private Limited which has a year end of 31 March due to local regulations. The main activities of these are almost entirely those of engineering, management and development consultancies, except for MHACE Insurance Company Limited which is an insurance company, Mott MacDonald International Limited which is an investment company and J.N. Bentley Limited which is a building and civil engineering contractor.

Subsidiary undertaking	% held of ordinary share capital 2025	Country of incorporation/registration
J.N. Bentley Limited	100	England and Wales
MHACE Insurance Company Limited	100	Guernsey
Mott MacDonald Australia Pty Limited	100	Australia
Mott MacDonald Canada Limited	100	Canada
Mott MacDonald CZ, spol. s r.o.	100	Czechia
Mott MacDonald Group, Inc.	100	United States of America
Mott MacDonald Hong Kong Limited	100	China (Hong Kong)
Mott MacDonald International Limited ¹	100	England and Wales
Mott MacDonald Ireland Limited	100	Republic of Ireland
Mott MacDonald Limited ¹	100	England and Wales
Mott MacDonald New Zealand Limited	100	New Zealand
Mott MacDonald Private Limited	100	India
Mott MacDonald Singapore Pte Limited	100	Singapore

A full list of subsidiary undertakings is separately detailed in note 29.

¹ investment not held through subsidiary undertaking

15. Debtors

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Trade debtors	241,186	255,332	–	–
Contract assets	236,920	226,500	–	–
Amount owed by subsidiary undertaking	–	–	37,063	26,997
Deferred taxation (note 10(c))	26,001	30,768	–	–
Taxation recoverable	11,101	23,091	–	–
Other debtors	20,907	31,837	5	6
Prepayments	52,254	47,110	–	–
	588,369	614,638	37,068	27,003

Trade debtors are shown net of a provision for impairment of £27,206,000 (2024 – £28,972,000).

Notes to the financial statements

at 31 December 2025

15. Debtors (continued)

Amount owed by subsidiary undertaking of £37,063,000 in the company statement of financial position is a loan from Mott MacDonald Group Limited to Mott MacDonald Limited. Interest on this loan is charged at a rate based on the three-month average SONIA rate plus a margin. The intention is that this loan will not be called up at short notice if doing so would cause the subsidiary undertaking to be unable to meet its liabilities as they fall due.

Deferred taxation recoverable after more than one year amounts to £22,041,000 (2024 – £30,003,000).

16. Creditors: amounts falling due within one year

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Contract liabilities	189,912	185,544	–	–
Trade creditors	66,695	76,165	–	–
Current UK corporation tax	6,927	140	–	–
Non-UK taxation	13,186	11,267	–	–
Other taxes	28,540	28,969	–	–
Social security	24,793	20,557	–	–
Shares classed as financial liabilities (note 21)	2	6	2	6
Other creditors	34,080	27,795	22	14
Accruals	300,506	252,221	–	–
Amount owed to subsidiary undertaking	–	–	155,000	–
	664,641	602,664	155,024	20

Amount owed to subsidiary undertaking of £155,000,000 in the company statement of financial position is a loan from Mott MacDonald Limited to Mott MacDonald Group Limited. Interest on this loan is charged at a rate based on the three-month average SONIA rate plus a margin. This amount has been shown in creditors due within one year due to the fact that the loan agreement at the statement of financial position date had a maturity of 31 December 2026. Since the year end, the agreement has been amended to remove the maturity date and the amount is now repayable on demand but with a minimum of 18 months' notice. The amount is therefore due after more than one year as at the date of signing of the financial statements.

17. Creditors: amounts falling due after more than one year

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Unsecured bank loans (note 18)	9,277	9,981	–	–
Other creditors	–	319	–	–
Amount owed to subsidiary undertaking	–	–	–	185,000
	9,277	10,300	–	185,000

Amount owed to subsidiary undertaking of £185,000,000 in the company statement of financial position in 2024 was a loan from Mott MacDonald Limited to Mott MacDonald Group Limited. Interest on this loan was charged at a rate based on the three-month average SONIA rate plus a margin and the loan had a maturity date of 31 December 2026. This is now shown in amounts due within one year (see note 16).

Notes to the financial statements

at 31 December 2025

18. Loans

Bank loans repayable, included within creditors, are analysed as follows:

	Group		Company	
	2025	2024	2025	2024
	£000	£000	£000	£000
Wholly repayable within five years (note 17)	9,277	9,981	–	–

The £9.3m loan relates to amount drawn down on the multi-currency revolving credit facility agreement which is in place until 22 December 2030 and bears a market floating rate of interest based on the daily SOFR rate. Amounts drawn down on the facility are required to be repaid at the end of the facility period.

Further details of the revolving facility are provided in the financial review section of the strategic report on page 16.

19. Obligations under leases

Future minimum rentals payable under non-cancellable operating leases are as follows:

Group

	Land and buildings		Other	
	2025	2024	2025	2024
	£000	£000	£000	£000
Amounts payable:				
Within one year	31,536	28,046	1,091	444
In two to five years	108,330	73,480	678	247
Over five years	122,860	84,193	–	–
	262,726	185,719	1,769	691

20. Provisions for liabilities

Group

2025	Provisions for losses on contracts	Deferred taxation note 10(c)	Other provisions	Total
	£000	£000	£000	£000
At 1 January	18,671	9,791	41,401	69,863
Exchange adjustments	(690)	5	–	(685)
Arising during the year	6,067	907	10,225	17,199
Reversed during the year	(1,102)	–	(8,415)	(9,517)
Utilised	(8,122)	–	(12,704)	(20,826)
At 31 December	14,824	10,703	30,507	56,034

Deferred tax is expected to reverse over six years.

Notes to the financial statements

at 31 December 2025

20. Provisions for liabilities (continued)

Other provisions are mainly in respect of outstanding claims within MHACE Insurance Company Limited, the Group's captive insurance company. This includes a provision for claims incurred but not yet reported in the captive insurance company and is based on information available at the statement of financial position date. These claims generally result from disputes on projects with clients or other parties relating to our work. These claims are settled, where applicable, via remediation works or by the payment of monetary amounts.

Due to the nature of provisions for losses on contracts and other provisions, the timing of their utilisation varies with the size and complexity of the underlying facts and circumstances. It is not unusual for such matters to take three to five years to be resolved. A reasonable expected range of potential outcomes would not materially impact the provisions.

21. Share capital

Allotted, called up and fully paid

	2025	2024	2025	2024
	No.	No.	£000	£000
Ordinary shares of £1 each	11,713,212	11,713,212	11,713	11,713
Convertible deferred shares of 1p each (classified as a liability) (note 16)	190,050	587,540	2	6
			11,715	11,719

Ownership of the issued ordinary shares is divided between employees and the Mott MacDonald Employee Trust ('Employee Trust').

Ownership of the shares by employees means that the company is independent from external shareholders' influence on the long-term development of the company. It is employees who make a major contribution to the company's long-term strategy and development so everything earned from developing the company is returned to employees who have worked hard to create it.

The Employee Trust has been in place since 1986. Its purpose is to support the framework of employee share ownership within the Group. The Employee Trust acts as a warehouse to ensure that the internal market for shares can operate fluidly during the year. The Employee Trust sells shares to employees when they are given the opportunity to buy shares at fair value in the company and the Employee Trust buys shares at fair value sold by employee shareholders.

The Employee Trust held 2,432,821 (2024 – 1,213,261) shares in the company at the statement of financial position date.

The Employee Trust is not used to make conditional benefits available to employees or employee shareholders.

Shares are not gifted to employees and there are no option schemes that exist. As such, there is no share-based payment arrangement reflected in these financial statements. Shares are only bought and sold at fair value.

Notes to the financial statements

at 31 December 2025

21. Share capital (continued)

The convertible deferred shares were offered for cash at par to former employees of the Group who held ordinary shares of the company for more than five years but who had ceased to be such holders by virtue of a 'Qualifying Sale' as more particularly described in the Articles of Association. On the occurrence of a 'Specified Event' as described in the Articles of Association, the convertible deferred shares (together with a corresponding number of unclassified shares) will be converted into ordinary shares of the company. The convertible deferred shares carry no voting rights and no entitlement to dividends or any surplus on winding up. The convertible deferred shares are disclosed as current liabilities rather than as share capital (see note 16) and are held at fair value which approximates their nominal value.

From 9 April 2016, the company no longer issues convertible deferred shares. The company instead offers, to a subscriber previously holding qualifying shares, the right to receive the cash equivalent amount that the subscriber would have been entitled to upon the occurrence of a conversion event had the subscriber been issued with the appropriate number of convertible deferred shares by reason of one or more qualifying events. No liability has been recorded in the statement of financial position at 31 December 2025 (2024 – none) as the directors consider the likelihood of such a conversion event being remote.

22. Reserves

Group

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Revaluation reserve

This reserve relates to revaluation of current asset investments held by MHACE Insurance Company Limited prior to transition to FRS 102.

Investment in own shares

This reserve records the value of shares held by the Employee Trust, which is consolidated in these financial statements. Shares held by the Employee Trust are shown as a deduction in arriving at total shareholders' equity.

Company

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Revaluation reserve

This reserve records revaluation of investments in subsidiary undertakings which were held at valuation prior to transition to FRS 102.

Notes to the financial statements

at 31 December 2025

22. Reserves (continued)

Group

Profit and loss account	2025	2024
	£000	£000
At 1 January	476,932	401,810
Exchange adjustments on translation of net assets of overseas subsidiaries	(9,295)	(1,265)
Profit attributable to owners of the parent company	68,831	88,635
Dividends (note 11)	(6,272)	(6,277)
Tax on additional pension contributions	–	(41)
Net actuarial loss on pension schemes (note 25(c))	(5,826)	(554)
Tax on net actuarial loss (note 10(c))	1,532	121
Change in restriction of pension asset recognised – gross	3,189	(7,858)
Change in restriction of pension asset recognised – tax thereon (note 10(c))	(826)	1,938
Surplus on disposal of own shares	19	423
At 31 December	528,284	476,932

The net cumulative goodwill written off directly against reserves prior to goodwill being capitalised on the statement of financial position amounts to £1,995,000 (2024 – £1,995,000) and that credited to reserves amounts to £2,444,000 (2024 – £2,444,000).

23. Capital commitments

There were no capital commitments contracted and not provided for in the financial statements.

24. Contingent liabilities

	Group		Company	
	2025	2024	2025	2024
	£000	£000	£000	£000
Guarantee of bank loans and overdrafts in respect of other Group companies	–	–	9,277	9,981

In addition, in the normal course of business, down payment, performance and tender bonds have been given by certain subsidiary undertakings. In the opinion of the directors, these are not expected to give rise to any significant liability. There are no contingent liabilities at the year end in relation to bonds (2024 – £nil).

The Group is a party to claims and litigation arising in the normal course of operations. Due to the inherent uncertainties of litigation or the early stage of certain proceedings, it is not possible to predict the final outcome of all ongoing claims and litigation at any given time or to determine the amount of potential losses, if any. The Group monitors all claims and takes out appropriate insurance to mitigate its risk. Provisions for such claims made at the statement of financial position date are set out in note 20. There are no contingent liabilities at the year end in relation to claims where, in the event the Group is found liable, material exposure, individually or in aggregate, exists (2024 – none). Due to the nature of these matters, the timing of their resolution varies with the size and complexity of the underlying facts and circumstances. It is not unusual for such matters to take three to five years to be resolved.

Notes to the financial statements

at 31 December 2025

25. Pensions and other retirement benefits

(a) UK pension schemes

The Group has operated a number of pension schemes in the UK. The Mott MacDonald Pension Scheme ('MMPS') is trust based which, from 1 January 2001 until 31 December 2011, had both defined benefit and defined contribution sections. On 1 May 2000, the defined benefit section was closed to new entrants. From 1 January 2001, all members were transferred to the defined contribution section. This section was contracted into the State Second Pension, formerly known as the State Earnings Related Pension Scheme ('SERPS') and was closed to new members on 31 December 2004.

From 1 January 2005, new employees were entitled to join the Mott MacDonald Stakeholder Pension Scheme, a contract based scheme. From 1 April 2011, all stakeholder members were transferred to the Group Personal Pension Plan ('GPP').

From 1 January 2012, all defined contribution members were transferred to the GPP. Contribution structures in MMPS continued in the GPP. From 1 January 2012, all active defined benefit members were made deferred by removing the salary link and offering sliding scale enhancements to their pensions.

From 1 June 2017, all GPP members were transferred to a Master Trust and new employees are now contractually enrolled into the Master Trust. The minimum Master Trust employee contribution level is 4.5%.

On 31 December 2021, the J.N. Bentley Pension and Life Assurance Scheme ('JNBPS') was merged with MMPS. JNBPS was a defined benefit scheme which was sponsored by J.N. Bentley Limited, a wholly owned subsidiary of the Bentley Holdings Limited group, and which was also closed to new members and future accrual of benefits.

The Group contributes to the Master Trust, at the rates specified in the rules of the scheme. From 1 January 2014, all new employees are contractually enrolled. To comply with auto-enrolment law, all current employees who were not in the GPP were contractually enrolled in May 2016, and subsequently re-enrolment exercises were carried out in the Master Trust in May 2019, May 2022 and May 2025. Total pension contributions were £78.1m (2024 – £73.4m).

MMPS is funded by means of assets which are held in trustee-administered funds, separated from the Group's own resources. The contributions to MMPS are determined with the advice of an independent qualified actuary on the basis of triennial valuations using the 'Projected Unit' method and a funding agreement between the trustee and the Group. Members' pensions were increased during the year according to the rules of MMPS.

The following key assumptions were used to assess the funding level at the last actuarial valuation:

Date of valuation	1 January 2024
Future investment return per annum – pre-retirement	Discount rate yield curve*
– post-retirement	Discount rate yield curve*

At the last actuarial valuation on 1 January 2024, the market value of assets was £508m and the level of funding based on market value of assets was 103%.

* This is equal to the yield on UK Government fixed interest gilts at different terms on the yield curve, with an outperformance allowance of 0.5% for all terms.

Notes to the financial statements

at 31 December 2025

25. Pensions and other retirement benefits (continued)

(a) UK pension schemes (continued)

The level of funding is the value of the assets expressed as a percentage of MMPS liabilities after allowing for revaluation of benefits to normal pension date.

The valuation position of MMPS was updated to 31 December 2025 by a qualified independent actuary for the purpose of producing these financial statements in accordance with FRS 102.

It should be noted that the calculations and methods under FRS 102 are different from those used by the actuary to determine the funding level of MMPS. The Group and the trustee regularly review the funding level of MMPS with the advice of the actuary. During 2025, no contributions were paid to MMPS in accordance with the current funding plan and none are currently intended in 2026.

In June 2023, the UK High Court (*Virgin Media Limited v NTL Pension Trustees II Limited*) ruled that certain historical amendments for contracted-out defined benefit pension plans were invalid if they were not accompanied by the correct actuarial confirmation. The Court of Appeal upheld this ruling in July 2024, but there remained material uncertainty in relation to the legal position itself and the application of the ruling.

The Government confirmed in June 2025 that it intended to introduce legislation dealing with the issues arising from the Virgin Media case and on 1 September 2025 issued amendments to the Pension Schemes Bill, which will enable schemes to retrospectively obtain an actuarial certification. However, at this time, the Pension Schemes Bill is yet to come into force and whilst accompanying actuarial guidance has been issued in draft form, final guidance will only be issued once the legislation has come into force. It is also the case that judgment is awaited in a High Court case which may provide further clarity on the Virgin Media issues. The Group has discussed the ruling with the trustee and its potential implications for the UK pension scheme.

The trustee continues to consider this matter together with its professional advisers. The trustee is monitoring developments in relation to the Pension Schemes Bill, actuarial guidance and/or case law and the Group will maintain a dialogue with the trustee and its advisers on this matter. The trustee will continue to monitor the situation to confirm when action can be taken in the future as circumstances evolve.

(b) Other pension schemes

In the USA, there was the Mott MacDonald Defined Benefit Pension Plan (frozen as of 31 March 1995). This was a defined benefit scheme which was closed to new members and future accrual of benefits. An interim report was prepared by a qualified actuary at 31 December 2024 for disclosure purposes which showed that the total market value of the assets of the scheme was US\$14.0m and the liabilities were US\$13.8m resulting in a surplus of US\$0.2m at 31 December 2024. This scheme was closed during the year.

In the Republic of Ireland, there is a further defined benefit scheme which is also closed to new members and future accrual of benefits. An interim report was prepared by a qualified actuary at 31 December 2025 for disclosure purposes which showed that the total market value of the assets of the scheme was €9.3m (2024 – €10.1m) and the liabilities were €5.7m (2024 – €7.0m) resulting in a surplus of €3.6m at 31 December 2025 (2024 – €3.1m). Since the company does not have an unconditional right to the surplus, it has not been recognised in the Group financial statements.

These pension schemes are not material in the context of the Group financial statements.

Notes to the financial statements

at 31 December 2025

25. Pensions and other retirement benefits (continued)

(c) Group pension schemes

The assets and liabilities of the Mott MacDonald Pension Scheme ('MMPS') are analysed below:

	2025 £m	2024 £m
Change in defined benefit obligation		
Defined benefit obligation at 1 January	(418.0)	(470.2)
Interest cost on MMPS liabilities	(22.1)	(20.9)
Actuarial (losses)/gains on MMPS liabilities	(3.6)	43.0
Benefits paid	31.7	30.1
Defined benefit obligation at 31 December	(412.0)	(418.0)
Analysis of defined benefit obligation		
Plans that are wholly or partly funded	(412.0)	(418.0)
Change in plan assets		
Fair value of plan assets at 1 January	463.5	508.2
Interest income on MMPS assets	24.6	22.8
Actuarial losses on MMPS assets	(2.4)	(43.9)
Employer contributions	–	6.5
Benefits paid	(31.7)	(30.1)
Fair value of plan assets at 31 December	454.0	463.5
Pension asset/funded status of MMPS	42.0	45.5
Pension surplus not recognised (excluding tax)**	(42.0)	(45.5)
Pension asset recognised in the statement of financial position (excluding tax)	–	–

** Since the company does not have an unconditional right to the surplus, the pension asset has not been recognised.

Notes to the financial statements

at 31 December 2025

25. Pensions and other retirement benefits (continued)

(c) Group pension schemes (continued)

	2025 £m	2024 £m
Surplus in MMPS	42.0	45.5
Surplus in Mott MacDonald Ireland Limited scheme	3.1	2.6
Surplus in Mott MacDonald USA scheme	–	0.1
	45.1	48.2
Restriction of pension asset recognised**	(45.1)	(48.2)
Total surplus in Group schemes excluding deferred tax (as reported in the statement of financial position)	–	–

** Since the companies do not have an unconditional right to the surpluses, these pension assets have not been recognised.

Components of pension (cost)/income

Year to 31 December

	2025 £m	2024 £m
Total pension cost recognised in administrative expenses in arriving at operating profit		
– for MMPS	–	–
– for other Group schemes	–	(0.1)
	–	(0.1)
Interest cost on MMPS liabilities	(22.1)	(20.9)
Interest income on MMPS assets	24.6	22.8
Net pension interest recognised as other finance income in the income statement		
– for MMPS	2.5	1.9
– for other Group schemes	0.1	0.3
	2.6	2.2
Actuarial (losses)/gains on MMPS liabilities	(3.6)	43.0
Actuarial losses on MMPS assets	(2.4)	(43.9)
Net actuarial losses recognised in other comprehensive expense for MMPS	(6.0)	(0.9)
Net actuarial (losses)/gains recognised in other comprehensive expense		
– for MMPS	(6.0)	(0.9)
– for other Group schemes	0.2	0.3
	(5.8)	(0.6)

Notes to the financial statements

at 31 December 2025

25. Pensions and other retirement benefits (continued)

(c) Group pension schemes (continued)

Plan assets

The weighted average asset allocation at the year end for MMPS was as follows:	2025	2024
	%	%
Asset category		
Liability driven investment	99.0	94.7
Cash and other	0.7	1.4
Corporate bonds	0.3	3.9
	100.0	100.0

Actual return on plan assets

Year to 31 December	2025	2024
	£m	£m
Interest income on MMPS assets	24.6	22.8
Actuarial losses on MMPS assets	(2.4)	(43.9)
Actual return on plan assets – for MMPS	22.2	(21.1)

The key financial assumptions used to determine the pension asset or liability at 31 December for MMPS are:

	2025	2024
	%	%
Discount rate for MMPS liabilities	5.5	5.5
RPI inflation	2.7	3.1
Pension increases (inflationary increases with a maximum of 5% p.a.)	2.4	2.5
CPI inflation	2.3	2.5
Salary increases	n/a	n/a

Weighted average life expectancy for mortality tables used to determine benefit obligations for MMPS at 31 December:

	2025		2024	
	Male Years	Female Years	Male Years	Female Years
Member age 60 (current life expectancy)	27.6	29.5	27.3	29.4
Member age 40 (life expectancy at age 60)	28.3	30.5	28.0	30.4

Sensitivity to the significant actuarial assumptions

Comparatively small changes in the assumptions used for measuring the defined benefit obligations for MMPS may have a significant effect on the Group's income statement and statement of financial position. The following table shows the sensitivity of the defined benefit pension obligations to reasonably possible changes in the key assumptions underlying the valuation, with all other assumptions remaining unchanged.

Change in assumption	Impact on MMPS liabilities
0.1% decrease in discount rate	increase in obligations in the range 0.5% to 1.0%
0.1% increase in inflation rates	increase in obligations in the range 0% to 0.5%
1 year increase in life expectancy	increase in obligations in the range 4.0% to 4.5%

Notes to the financial statements

at 31 December 2025

26. Related party transactions

The Group has taken advantage of the provisions in Section 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiary undertakings.

During the year, the Group made sales of £15,237,000 (2024 – £16,219,000) to joint ventures. The net balance owed by joint ventures at 31 December 2025 was £71,000 (2024 – £169,000).

Key management personnel

The Group's directors are considered to be its key management personnel. Directors' remuneration is set out in note 7.

27. Notes to the statement of cash flows

(a) Reconciliation of profit on ordinary activities before taxation to net cash inflow from operations

	2025 £000	2024 £000
Profit on ordinary activities before taxation	107,843	123,276
Adjustments to reconcile profit before taxation for the year to net cash inflow from operations:		
Depreciation	29,547	24,141
Amortisation of intangible assets	3,292	7,688
Other income	(1,932)	(8,529)
Unrealised foreign exchange losses	684	942
Fair value adjustments on current asset investments in captive insurance company	(1,032)	(614)
Pension contributions	–	(6,952)
Current service costs in pension schemes	–	118
(Profit)/loss on disposal of tangible fixed assets	(1,115)	72
Loss on disposal of intangible fixed assets	32	–
Profit on disposal of current asset investments in captive insurance company	(1,140)	(378)
Profit on disposal of subsidiary undertakings	–	(2,004)
Net interest receivable	(10,531)	(10,107)
Other finance income	(2,599)	(2,187)
Increase in debtors	(2,883)	(32,357)
Increase in creditors	48,505	4,006
(Decrease)/increase in provisions for liabilities	(14,051)	17,041
Net cash inflow from operations	154,620	114,156

Notes to the financial statements

at 31 December 2025

27. Notes to the statement of cash flows (continued)

(b) Cash and cash equivalents

Cash and cash equivalents comprise the following:

At 31 December	2025 £000	As restated 2024 £000
Cash at bank and in hand	344,048	253,925
Cash equivalents: term deposits with original maturities less than three months included in current asset investments (note 14(a))	44,903	48,005
Cash and cash equivalents	388,951	301,930

Cash at bank earns interest at floating rates based on daily bank deposit rates. Term deposits earn interest at the rates determined when the deposits are placed.

Having reviewed the terms and conditions relating to redemption of term deposits, it is deemed more appropriate to treat such balances as current asset investments rather than cash at bank and in hand. However, such deposits with original maturity dates of less than three months, at the point the deposits are placed, are considered to be cash equivalents for cash flow statement purposes, as they are deemed to be highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. The prior year figures have been restated to remove term deposits with original maturities of between three and 12 months from cash and cash equivalents (see note 14(a)).

(c) Analysis of changes in net funds

Group	As restated 1 January 2025 £000	Cash flow £000	Exchange movement £000	31 December 2025 £000
Cash at bank and in hand	253,925	93,789	(3,666)	344,048
Cash equivalents*	48,005	(2,681)	(421)	44,903
Debt due after more than one year (note 17)	(9,981)	–	704	(9,277)
Shares classed as financial liabilities (note 16)	(6)	4	–	(2)
Total net funds	291,943	91,112	(3,383)	379,672

Opening balance of net funds has been restated to reclassify term deposits with original maturities between three and 12 months to current asset investments while term deposits with original maturities of three months or less have been shown as cash equivalents for cash flow statement purposes.

* Term deposits with original maturities less than three months included in current asset investments (note 14(a)).

Notes to the financial statements

at 31 December 2025

28. Financial assets and liabilities

	Notes	2025 £000	As restated 2024 £000
Financial assets at fair value through profit or loss			
Current asset investments	14(a)	43,304	42,659
Financial assets that are equity instruments measured at cost less impairment			
Other fixed asset investments	14(a)	53	53
Financial assets that are debt instruments measured at amortised cost¹			
Current asset investments ²	14(a)	174,903	162,005
Trade debtors	15	241,186	255,332
Other debtors	15	20,907	31,837
Financial liabilities at fair value through profit or loss			
Shares classed as financial liabilities	16, 21	2	6
Financial liabilities measured at amortised cost¹			
Trade creditors	16	66,695	76,165
Other creditors	16, 17	34,080	28,114
Loans	18	9,277	9,981

The fair values of the assets and liabilities held at fair value through profit or loss at the statement of financial position date are determined using quoted prices.

¹ Amortised cost is the amount at which a financial asset or financial liability is measured at initial recognition, less principal repayments and plus or minus any unamortised original premium or discount (calculated using the effective interest method).

² As described in note 14(a), term deposits are now shown in current asset investments held at amortised cost rather than in cash at bank and in hand.

Financial risks

The Group has a variety of controls in place to manage liquidity risk, credit risk and exchange risk, and minimise financial loss.

The more important aspects are:

- for investments, where viable, all counterparties must meet the Group's minimum credit rating of A-1 long term and P-1 short term; and
- there is no speculative use of derivatives, currency or other instruments.

Notes to the financial statements

at 31 December 2025

29. Subsidiary undertakings

The company's subsidiary undertakings at 31 December 2025 are shown below. All of these undertakings have coterminous year ends with the exception of Mott MacDonald Private Limited and Mott MacDonald GDS (India) Private Limited which have a year end of 31 March due to local regulations.

In addition, some of the dormant subsidiary undertakings in the United Kingdom have changed their period end to 30 June 2026, as indicated below, in order to coordinate deregistration procedures.

Subsidiary undertaking by country of incorporation/registration	% held of ordinary share capital	Registered office key
United Kingdom		
Bentley Holdings Limited	100	A
Cambridge Education Associates Limited	100	B
Cambridge Education Limited ¹	100	B
Courtyard Group UK Limited ³	100	B
Ewbank and Partners Limited ¹	100	B
Ewbank Preece Consulting Limited ¹	100	B
Ewbank Preece Limited ¹	100	B
Franklin & Andrews International Limited	100	B
Franklin & Andrews Limited ¹	100	B
Fulcrum First Limited	100	B
HLS Limited	100	B
IDSR Holdco Limited	100	B
IDSR Tradeco Limited	100	B
JBA Bentley Limited	75	A
J.N. Bentley Limited	100	A
MIME Learning Limited ^{1,3}	100	C
MMRA Limited	100	B
Mott Hay & Anderson International Limited ¹	100	B
Mott MacDonald Bentley Limited	100	A
Mott MacDonald Engineering Consultants Limited ^{1,3}	100	B
Mott MacDonald HoldCo Limited ¹	100	B
Mott MacDonald International Limited ¹	100	B
Mott MacDonald Limited ¹	100	B
Mott MacDonald Pension Trustee Limited	100	B
Mott MacDonald Trustees Limited ¹	100	B
Multi Design Consultants Limited	100	B
Multi Design Holdings Limited ¹	100	B
Needlemans Limited ¹	100	B
Osprey PMI Limited ³	100	B
Preece Cardew & Rider Limited ¹	100	B
Project Management International Limited	100	B
Schema Associates Limited ³	100	B
Sir M MacDonald & Partners Limited ¹	100	B
Sterling Management Limited ¹	100	B
Teamwork Management Services Limited ^{1,3}	100	B
Australia		
Mott MacDonald Australia Pty Limited	100	D
Merz Consultancy Pty Limited	100	D
Botswana		
Merz & McLellan Botswana (Pty) Limited	100	E
Bulgaria		
Mott MacDonald (Bulgaria) EOOD	100	F

¹ investment not held through subsidiary undertaking

² in liquidation

³ accounting reference date 30 June 2026

Notes to the financial statements

at 31 December 2025

29. Subsidiary undertakings (continued)

Subsidiary undertaking by country of incorporation/registration	% held of ordinary share capital	Registered office key
Canada		
Mott MacDonald Canada Limited	100	G
China		
Mott MacDonald (Beijing) Limited	100	H
Mott MacDonald (Shenzhen) Limited ²	100	I
China (Hong Kong)		
Franklin & Andrews (Hong Kong) Limited	100	J
Mott MacDonald Consultants (HK) Limited	100	J
Mott MacDonald Hong Kong Limited	100	J
Colombia		
Mott MacDonald Colombia SAS	100	K
Czechia		
Mott MacDonald CZ, spol. s r.o.	100	L
Democratic Republic of the Congo		
Mott MacDonald DRC SASU	100	M
Egypt		
Mott MacDonald Egypt Limited	100	N
France		
Mott MacDonald France SAS	100	O
Guernsey		
MHACE Insurance Company Limited	100	P
Hungary		
Mott MacDonald Magyarország Kft	100	Q
India		
Mott MacDonald Private Limited	100	R
Mott MacDonald GDS (India) Private Limited	100	R
Indonesia		
PT Mott MacDonald Indonesia	100	S
Ireland		
Ewbank Preece OhEocha Limited ²	100	T
Franklin & Andrews (Ireland) Limited	100	T
Mott MacDonald Ireland Limited	100	T
Mott MacDonald Pettit Engineering Limited	100	T
Somin Holdings Limited ²	100	T
Italy		
Mott MacDonald Italy S.r.l.	100	U
Japan		
Mott MacDonald Japan KK	100	V
Kazakhstan		
Mott MacDonald Kazakhstan LLP	100	W
Kenya		
Mott MacDonald Kenya Limited	100	X
Korea, South		
Mott MacDonald Korea Ltd.	100	Y
Malawi		
Mott MacDonald Blantyre Limited	100	Z
Malaysia		
Mott MacDonald (Malaysia) Sdn. Bhd.	100	AA
Mauritius		
PDNA Consulting (Mauritius) Limited	100	AB
Mongolia		
Mott MacDonald Mongolia Company Limited	100	AC

² in liquidation

Notes to the financial statements

at 31 December 2025

29. Subsidiary undertakings (continued)

Subsidiary undertaking by country of incorporation/registration	% held of ordinary share capital	Registered office key
Mozambique		
Mott MacDonald Mozambique Lda	100	AD
Netherlands		
Euroconsult Mott MacDonald B.V.	100	AE
Mott MacDonald B.V.	100	AE
New Zealand		
Mott MacDonald New Zealand Limited	100	AF
Nigeria		
Cambridge Education Nigeria Limited	100	AG
Norway		
Mott MacDonald Norge AS	100	AH
Philippines		
Mott MacDonald (Philippines) Inc	100	AI
Poland		
Mott MacDonald Polska Spolka z o.o.	100	AJ
Romania		
Mott MacDonald Romania SRL	100	AK
SC Educatia 2000+ Consulting SRL	100	AK
Saudi Arabia		
Mott MacDonald Limited LLC for Engineering Consultancy	100	AL
Mott MacDonald Limited LLC – Regional Headquarters	100	AL
Serbia		
Mott MacDonald S d.o.o.	100	AM
Sierra Leone		
Mott MacDonald (SL) Limited	100	AN
Singapore		
Mott MacDonald Singapore Pte Limited	100	AO
South Africa		
Merz & McLellan (Proprietary) Limited	100	AP
Mott MacDonald Contracting (Pty) Limited	100	AP
Mott MacDonald Development South Africa (Pty) Limited	100	AP
Mott MacDonald Holdings (South Africa) (Pty) Limited	100	AP
PDNA Holdings (Pty) Limited	100	AP
Spain		
Mott MacDonald Spain Sociedad Limitada (S.L.U)	100	AQ
Taiwan		
Taiwan Mott MacDonald Limited	100	AR
Tanzania		
Cambridge Education Tanzania Limited	100	AS
Thailand		
Mott MacDonald (Thailand) Limited	100	AT
Thai MM Limited	100	AT
Turkey		
Mott MacDonald T Engineering Consultants Limited	100	AU

Notes to the financial statements

at 31 December 2025

29. Subsidiary undertakings (continued)

Subsidiary undertaking by country of incorporation/registration	% held of ordinary share capital	Registered office key
United States of America		
Mott MacDonald Alabama, LLC	100	AV
Mott MacDonald Architects, Inc.	100	AV
Mott MacDonald Consultants, Inc.	100	AV
Mott MacDonald Federal, LLC	100	AV
Mott MacDonald Florida, LLC	100	AV
Mott MacDonald Group, Inc.	100	AV
Mott MacDonald I&E, LLC	100	AV
Mott MacDonald Massachusetts, LLC	100	AV
Mott MacDonald Michigan, LLC	100	AV
Mott MacDonald NY, Inc.	100	AV
Mott MacDonald Operating Services, LLC	100	AV
Mott MacDonald USA, LLC	100	AV
Mott MacDonald, Inc.	100	AV
Mott MacDonald, LLC	100	AV
Pacific Groundwater Group, Inc.	100	AV
The Kercher Group, Inc.	100	AV

Other fixed asset investments by country of incorporation/registration

United Kingdom		
BMM JV Limited	50	AW
M2 (Water) LLP	50	B

Registered Office	Registered office key
Snaygill Industrial Estate, Keighley Road, Skipton, North Yorkshire BD23 2QR, United Kingdom	A
10 Fleet Place, London EC4M 7RB, United Kingdom	B
St. Vincent Plaza, 319 St. Vincent Street, Glasgow G2 5LD, United Kingdom	C
Level 17 One Festival Tower, Station Road, Adelaide SA 5000, Australia	D
Plot 6358, Extension 19, Broadhurst, Gaborone, Botswana	E
Building 4, Office X, 51 Cherni Vrah Blvd., Lozenets District, Sofia, 1407, Bulgaria	F
22 St. Clair Avenue East, Suite 200, Toronto ON M4T 2S3, Canada	G
Suite 1506, Tower B, Global Trade Center, 36 North 3rd Ring Road East, Beijing, China	H
2302 Block 1, Xinwen Building, 2 Shennan Zhong Road, Futian District, Shenzhen, China	I
3/F Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong	J
Carrera 14 No. 89-48, Oficina 403, Edificio Novanta, Bogota D.C., Colombia	K
Narodni 15, 110 00 Praha 1, Czechia	L
7ème étage, Immeuble BCDC, Boulevard du 30 Juin, Commune de la Gombe, Kinshasa, The Democratic Republic of the Congo	M
253 Rabaa El-Adaweya Investment Project, El Akad Mall Ext., 5th Floor, Apartment 53, Nasr City, Cairo, Egypt	N
15 Rue Traversière, 75012, Paris, France	O
Suite 1 North, First Floor, Albert House, South Esplanade, St Peter Port, Guernsey GY1 1AJ	P
1139 Budapest, Fiastyúk Street 4-8, Building F/1, 2nd Floor, Hungary	Q
Unit No 101, First Floor, NOMURA Building, Hiranandani Gardens, Powai, Mumbai 400076, India	R
WTC 3, Level 29th, Jl. Jend. Sudirman Kav. 29-31, Jakarta, 12920 Indonesia	S
South Block, Rockfield, Dundrum, Dublin 16, Republic of Ireland Eircode: D16 R6V0	T
Via Enrico Albareto 31, 16154, Genoa, Italy	U
4F Nihonbashi Honcho 1-chome Building, 1-9-13 Nihonbashi Honcho, Chuo-ku, Tokyo, 103-0023, Japan	V

Notes to the financial statements

at 31 December 2025

29. Subsidiary undertakings (continued)

Registered Office (continued)	Registered office key
12th Floor, Office 1204A, Block A, Bld. 47, Syganak Street, Esil Region, Astana City 010000, Kazakhstan	W
LR no.1870/1/176, 1st Floor, ALN House, Eldama Ravine Close, off Eldama Ravine Road, PO Box 764-00606, Westlands, Kenya	X
16Fl., Jongro 5 Gil 7, Jongno-Gu, Seoul (Chung Jin Dong), Republic of Korea	Y
Likongwe and Company offices, 12/30, Area 12, Lilongwe, Off Dunduzu Street, Chimutu, Lilongwe Urban, Malawi	Z
18-12 Menara Q Sentral, 2A Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Wilayah Persekutuan, Malaysia	AA
c/o Globefin Management Services Ltd, Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius	AB
Suite 203, Crystal Business Center, Chinggis Avenue 11/1, Ulaanbaatar, 210628, Mongolia	AC
Mott MacDonald 1067, Av. Kwame Nkrumah, Bairro do Sommerschild, Maputo, Mozambique	AD
Velperplein 23, 6811AH, Arnhem, Netherlands	AE
Level 2, 139 Pakenham Street, West Auckland, 1010, New Zealand	AF
2nd Floor, Sterling Towers, 20 Marina, Lagos, Nigeria	AG
c/o Inforegn AS Misjonsmarka 1, 4024 Stavanger, Norway	AH
The Regus Tec Inc, 27th Floor Tower 2, The Enterprise Centre, 6766 Ayala Ave. Corner, Paseo de Roxas, 1226, Philippines	AI
Ul. Prosta 68, Budynek Proximo, 00-838, Warsaw, Poland	AJ
246 Traian Street, 3rd Floor, Apartment 5, Sector 2, Bucharest, 024046, Romania	AK
Building No. 7421, King Fahd Rd, Al Olaya Dist. 3143, Riyadh, 12212, Saudi Arabia	AL
Kneginje Zorke 2, Floor 1, Belgrade, 11000, Serbia	AM
24 Regent Road, Hill Station, Freetown, Sierra Leone	AN
152 Beach Road, #35-00 Gateway East, Singapore, 189721, Singapore	AO
5th Floor, Bloukrans Building, Lynnwood Bridge, Pretoria, Gauteng, 0081, South Africa	AP
Paseo de la Castellana 77, Planta 9, 28046, Madrid, Spain	AQ
5F, No.92, Sec 2 Dun Hua S Rd, Da-An District, Taipei City, 10668, Taiwan	AR
House No 1, Plot No 178/9, Kilimani Road, Kilimani Area, Kilimani Ward, Dodoma CBD, PO Box 1587, Dodoma, Tanzania	AS
90 CW Tower, 41st Floor, Room No. A4101-02, Ratchadapisek Road, Kwang Huay Kwang, Khet Huay Kwang, Bangkok, Metropolis, Thailand	AT
Mesa Koz, Sahrayıcedit Mah. Atatürk Cad No:69/255 34734, Kadıköy / İstanbul, Turkey	AU
c/o Mott MacDonald Group, Inc., 111 Wood Avenue South, 5th floor, Iselin NJ 08830-4112, United States of America	AV
Second Floor, Block A, Spectrum Point 279, Farnborough Road, Farnborough, Hampshire GU14 7LS, United Kingdom	AW

Group five-year summary

Pages 94 to 96 do not form part of the audited financial statements.

Years ended 31 December	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000
Gross revenue	2,482,019	2,518,138	2,373,827	2,049,094	1,781,800
Operating profit	89,662	100,669	91,929	109,522	104,054
Profit on ordinary activities before taxation	107,843	123,276	112,912	115,806	105,222
Tax on profit on ordinary activities	(39,008)	(34,705)	(27,066)	(32,028)	(21,551)
Profit on ordinary activities after taxation	68,835	88,571	85,846	83,778	83,671
Total other comprehensive (expense)/income	(11,225)	(7,660)	(19,184)	(11,092)	9,956
Total comprehensive income for the year	57,610	80,911	66,662	72,686	93,627
Distributions and capital items					
– Dividends	(6,272)	(6,277)	(5,989)	(4,324)	(3,326)
– Non-controlling interests	(5)	65	(9)	(149)	(239)
– Surplus on disposal of own shares	19	423	292	207	340
Retained reserves	51,352	75,122	60,956	68,420	90,402
Consolidated statement of financial position					
Fixed assets	102,619	99,796	79,427	69,733	75,280
Current assets	1,150,624	1,073,227	1,006,937	926,040	732,744
Creditors: amounts falling due within one year	(664,641)	(602,664)	(607,022)	(578,068)	(480,305)
Net current assets	485,983	470,563	399,915	347,972	252,439
Total assets less current liabilities	588,602	570,359	479,342	417,705	327,719
Creditors: amounts falling due after more than one year	(9,277)	(10,300)	(10,119)	(12,062)	(12,284)
Provisions for liabilities	(56,034)	(69,863)	(51,072)	(48,121)	(21,985)
Net assets excluding pension liability	523,291	490,196	418,151	357,522	293,450
Pension liability	–	–	(593)	(1,514)	(1,617)
Net assets including pension liability	523,291	490,196	417,558	356,008	291,833
Capital and reserves					
Called up share capital	11,713	11,713	11,713	11,713	11,713
Share premium account	17,717	17,717	17,717	17,717	17,717
Revaluation reserve	814	814	814	814	814
Investment in own shares	(35,374)	(17,113)	(14,695)	(15,281)	(11,105)
Profit and loss account	528,284	476,932	401,810	340,854	272,434
Equity attributable to owners of the parent company	523,154	490,063	417,359	355,817	291,573
Non-controlling interests	137	133	199	191	260
Total capital and reserves	523,291	490,196	417,558	356,008	291,833
Net funds*					
Cash at bank and in hand	344,048	253,925	269,127	230,322	273,183
Deposits – original maturities less than three months	44,903	48,005	3,922	5,000	–
Bank overdrafts	–	–	(31)	–	–
Loans falling due after more than one year	(9,277)	(9,981)	(9,805)	(10,392)	(9,229)
Obligations under finance leases	–	–	–	–	(1,095)
Shares classed as financial liabilities	(2)	(6)	(8)	(14)	(18)
Net funds excluding deposits with original maturities over three months	379,672	291,943	263,205	224,916	262,841
Deposits – original maturities three and 12 months	130,000	114,000	116,340	129,409	–
Net funds including deposits with original maturities over three months	509,672	405,943	379,545	354,325	262,841

* Net funds for 2024 and earlier have been restated to separately identify term deposits with original maturities less than three months and term deposits with original maturities between three and 12 months from cash at bank and in hand.

Group risk summary for Mott MacDonald Group



Risk category	Principal risks	Risk description (from treatment plans)	Impact	Risk treatment	Threat perception
Financial	Financial Health and Economic Uncertainty	The risk that Mott MacDonald will be unable to manage the negative impact of risks to its operational cashflow.	Inability to meet revenue targets and achieve strategic objectives.	Continued engagement with clients about markets and focus on diverse opportunities. Regional recession resilience plans in place and regularly updated.	⊖
Legal and Compliance	Ethics and Regulatory Compliance	The risk of a regulatory compliance breach, e.g. corruption/bribes, fraud, conflicts of interest, anti-trust and competition, trade compliance, privacy and data protection, other illegal acts and inappropriate government relations. Lack of an ethical culture driven by our PRIDE values.	Reputational damage, fines, claims and loss of business.	Delivery and embedment of Ethics and Compliance Programme, which includes Our Code, policies, declarations, channels for reporting and investigations. These programmes prevent, detect and respond to misconduct, build an ethical culture and ensure compliance with the law.	⊖
	Information Security	The risk that data might fail to meet the applicable standards for quality, accessibility, and protection against loss, tampering, inappropriate access, and disclosure, as mandated by confidentiality, legal, regulatory, contractual and operational obligations, such as unlawful processing, over-retention and inappropriate storage.	Reputational damage, fines, claims, disputes and a negative impact on the culture of the organisation.	Strengthen data management governance, policy and process. Set adequate classifications and permissions management system audits.	⊖
Strategic	Portfolio	The risk that Mott MacDonald will become overly dependent on specific geographic markets, sub-sectors, services or client quality.	Lack of presence in growth markets and lost business opportunities.	The Practice Network and Market Leaders review size and profitability of work in key markets and track trends over time.	⬆
	Climate Change	The risk that Mott MacDonald will fail to respond effectively to fast-evolving requirements driven by climate change on our projects, markets and operations.	Decline in revenue, loss of growth opportunities and reputational damage.	Continually enhance climate change competencies and strengthen governance of physical climate risks. Proactively monitor evolving climate-related regulations, standards and best practices. Conduct climate transition and physical risks scenario analysis.	⊖
	Reputation	The risk that the organisation does not monitor and actively manage its reputation to enhance competitiveness and visibility in key markets.	Loss of revenue, litigation, brand deterioration or loss of stakeholder confidence.	Review and update of relevant processes, brand and media guidelines and response plans. Increase in listening and benchmarking capability.	⊖
	Market Share	The risk that market changes impact Mott MacDonald's relevance positively or negatively. The risk is particularly around external events/actions affecting market share and size.	Inability to meet revenue targets and loss of market presence.	Review of new developments in markets. Account Leaders and Business Development Managers collaborate to maintain relationships with clients and monitor the market.	⊖
Talent Management	Succession	The risk of not having future-informed succession plans for the leaders delivering our Group strategy and for critical roles. 'Leaders' in this definition means employees at Unit executive level and up plus technical leadership.	Adverse impact on technical excellence, project delivery and organisation culture.	Implementation of Leadership Development Initiatives, Performance Management Programmes and Development Pathways for successors.	⊖
	Compensation and Reward	The risk that Mott MacDonald's reward model may not be sustainable in the long term to enable us to recruit, attract and retain the talent required to ensure the future success of the business.	Failure to attract talent, failure to retain talent and employee dissatisfaction.	Regular global benchmarking and review of global reward approach.	⬇
	Equality, Diversity and Inclusion	The risk that Mott MacDonald may not adequately include and diversify its workforce at all levels to meet internal goals and external requirements.	Adverse impact on ability to bid for work, loss of reputation, employee dissatisfaction and deteriorating retention.	Improve data gathering capabilities and determine key metrics; communicate key EDI health and safety considerations; develop a global EDI comms plan; and update the Group EDI strategy.	⬇
	Capacity and Capability	The risk that Mott MacDonald does not have the right skills to go on the right projects to fulfil our client requirements. The risk that we do not develop existing skills in line with operational efficiency and future delivery model.	Adverse impact on project delivery, culture, business pipeline and management of business operations.	Processes that support clear leadership incentives, strategic resourcing, resource management and succession planning.	⊖
Technology	New Technology Adoption	The risk that Mott MacDonald fails to adopt new technology or develop new digital services to achieve or sustain competitive advantage in products, services and processes. (New = new to Mott MacDonald; Technology = digital and broader e.g. engineering tools and techniques)	Technical obsolescence, erosion in efficiency and inability to bring new digital services to market.	The Digital Delivery Programme is accountable for delivering digital product, services and business models.	⊖
	Cyber Security	Potential harm, financial loss, or reputational damage resulting from failures, vulnerabilities, threats, or attacks on digital assets, data and information systems belonging to Mott MacDonald or associated third parties.	Business disruption, reputational damage, loss of data and business.	Training and cultural awareness, enhancement of Group information security procedures and security of data.	⊖

Principal climate-related risks and opportunities identified for Mott MacDonald Group



Risk	Risk description	Potential business impact (uncontrolled risk)	Time horizon (when most significant impacts are likely to materialise)	Risk rating under each climate scenario			Resilience to impacts
				Paris-aligned	Middle of the road	Reasonable worst case	
Transition risk – policy and legal	The risk that we will be unable to meet requirements under current and emerging climate regulation, including carbon reduction targets and climate change risk disclosure.	Potential non-compliance leading to penalties or reputational damage. Failure to meet client selection criteria leading to loss of revenue.	Short-Medium	⊖	⊖	⬇	⬆
Transition risk – market	The risk that our capabilities may not match the requirements of our clients in our core and emerging markets.	Loss of strategic opportunity to support transition growth sectors. Loss of revenue from existing clients. Inability to win new project work. Increased resourcing costs, impacting project profitability. Reputational damage due to investment in the wrong capabilities or technologies leading to increased costs. Loss of knowledge and skills through attrition.	Short-Medium	⬇	⬇	⬇	⬆
Physical risk – acute and chronic	The risk of significant harm and damage to our workforce and assets due to physical impacts of climate change on our operations.	Disruption of our business and our supply chain. Personnel health and safety risks. Reduced productivity. Damage to physical assets and infrastructure. Limitations on project operating locations. Increased operating costs. Inability to gain, or increased costs of, insurance coverage.	Medium-Long	⬇	⊖	⬆	⊖
Opportunity – growth in decarbonisation and resilience services	The opportunity for Mott MacDonald to grow decarbonisation and resilience technical services to its clients.	High client retention. Increased revenues. Positive brand differentiation. Increased demand for engineering and project management skillsets in delivery of decarbonisation and resilience. Increased revenue from new technologies and markets. Improved employee attraction and retention. Increased business resilience.	Short-Medium	⬆	⊖	⬇	⬆

Mott MacDonald Group Governance

The Executive Board and its committees

Executive Board

James Harris (Group Chief Executive & Chair)
Paul Bentley (Group Executive Director)
David Johnson (Group Development Director)
Richard Risdon (Group Strategy Director)
Ed Roud (Group Finance Director)
Cathy Travers (Group Managing Director)

Board attendance

Paul Ferguson (General Counsel)
Alec Pavitt (Chief Governance Officer)

Management Committee

Cathy Travers (Chair)
David Boyland
Paul Hilton
Damian Izzard
Adrian Jones
Alec Pavitt
Dean Radeloff
Richard Risdon

In attendance

Brenda Begg
Jen Ross

Investment and Finance Committee

Ed Roud (Chair)
James Harris
Damian Izzard
Jonathan Rhodes
Richard Risdon
Claudio Tassistro
Cathy Travers

In attendance

Dewesh Dhopatkar

Risk Committee

David Boyland (Chair)
Paul Ferguson
Simon Harrison
Paul Hilton
Alec Pavitt
Ed Roud
Cathy Travers

In attendance

Brenda Begg
Matthew Caudwell

The Executive Board and its committees (continued)

Technology Committee

David Johnson (Chair)
Paul Bentley
Paul Ferguson
James Harris
Richard Risdon
Ed Roud
Cathy Travers

In attendance

Jen Cigana
Cory Dippold
Mark Enzer
Damian Izzard
Jon Malam
Alec Pavitt
Nasrine Tomasi
Simon White

The Shareholders' Committee and its sub-committees

Shareholders' Committee

Erin Flaherty¹ (Chair)
Frances Badelow
Aimee Barwick
Julia Barker
David Boyland
Rachel Ellison
Kerry Hancock
Simon Harrison
Paul Hilton
Damian Izzard
Adrian Jones
Kenneth Norbury
Alec Pavitt
Dean Radeloff
Clare Rhodes James
Jonathan Rhodes
KaiYea Soh
Claudio Tassistro
Steve Tetlow

In attendance

Paul Ferguson
James Harris
David Johnson
Richard Risdon
Ed Roud
Cathy Travers

The Shareholders' Committee and its sub-committees (continued)

Audit and Risk Assurance Sub-committee

Ian Clarke (Chair)
Erin Flaherty¹
Kenneth Norbury
Jonathan Rhodes
Clare Rhodes James
Steve Tetlow

In attendance

Brenda Begg
Dewesh Dhopatkar
Paul Ferguson
Andy Leigh
Ed Roud
Cathy Travers

Nominations Sub-committee

Frances Badelow (Chair)
Aimee Barwick
Rachel Ellison
Erin Flaherty¹
Dean Radeloff

In attendance

James Harris
David Johnson
Richard Risdon
Ed Roud
Cathy Travers

Remuneration and Equity Sub-committee

Erin Flaherty¹ (Chair)
Julia Barker
Kerry Hancock
Adrian Jones
KaiYea Soh

In attendance

James Harris
David Johnson
Ed Roud
Cathy Travers

A large teal graphic element consisting of a solid teal shape on the left and a teal shape on the right that has a white, curved notch cut out of its center, creating a negative space. The shapes are positioned at the top of the page.

Engineering.
Management.
Development.

Head office

Mott MacDonald
10 Fleet Place
London EC4M 7RB
United Kingdom

marketing@mottmac.com
mottmac.com